

COMMERCE AND NAVIGATION.

MAY 28, 1842.

Read, and laid upon the table.

Mr. J. P. KENNEDY, from the Committee on Commerce, made the following

REPORT:

The Committee on Commerce, to whom were referred:

1. The petition of sundry citizens of Ontario county, in the State of New York, praying for the protection of American labor and the promotion of reciprocal commerce:

2. The memorial of sundry importing and other merchants of the city of New York, praying Congress to allow a drawback on goods exported to Canada and other northern colonies of Great Britain contiguous to the United States:

3. The resolution that the Committee on Commerce be instructed to inquire into the expediency of excluding from our ports vessels coming from British ports or places where American vessels are not permitted to enter:

4. The resolution that the Committee on Commerce be directed to inquire into and report what effect our late revenue laws have produced on our commerce with foreign countries; also, to inquire into and report on the past and present condition of our navigation, and to recommend such measures as may be necessary to enlarge our commercial marine:

5. The resolution that the Committee on Commerce be instructed to inquire into the expediency of allowing the benefit of drawback on cotton imported inland from the republic of Texas, and on foreign goods exported inland to Texas and Mexico, and of establishing a port of entry either at Natchitoches or Shreveport:

6. The resolution that the Committee on Commerce be instructed to inquire into the expediency of a law allowing drawback on the exportation of flour manufactured from foreign wheat:

7. The memorial of the inhabitants of Portland, praying Congress to take into consideration the propriety of so changing the existing arrangements respecting the commercial intercourse of the United States with the British colonies, as may secure to American vessels a just and fair proportion of the trade between these parties:

8. The memorial of the General Assembly of Missouri praying the interposition of Congress to procure the removal of the restrictions of foreign nations upon the introduction of tobacco:

9. Such parts of the memorial of the citizens of Baltimore as relate to the protection of American shipping by discriminating duties, and to

the enactment of countervailing restrictions against the policy of foreign nations: and

Sundry other petitions, memorials, and resolutions touching the same subjects—

Submit the following report :

The topics presented by these several resolutions and memorials impose upon the committee the necessity of submitting a general review of our commerce and navigation, and a consideration of such circumstances, whether produced by our legislation or extrinsic causes, as may be supposed to influence the prosperity of this great department of our national economy. They suggest an inquiry—

1. Into the effect of our revenue laws upon our foreign commerce :
2. Into the value of a system of duties adapted to the protection of domestic labor :
3. Into such conditions of intercourse with other nations as are best calculated to promote reciprocal commerce ; and, connected with this inquiry, a consideration of the policy of countervailing duties against foreign restrictions :
4. Into the state of our navigation, and a notice of such measures as may be necessary to enlarge our commercial marine :
5. Into the nature and effect of the commercial arrangements existing between the United States and the colonial possessions of Great Britain : and
6. Into the expediency of regulating our inland commerce with contiguous countries, by the allowance of drawbacks.

These inquiries occupy a large field, and would, at any period, attract the attention of the country. They possess a peculiar importance at the present time. The near approach of that term to which the operation of the duty system of the last ten years was limited, with the consequent necessity of new legislation for its adjustment, and the general concurrence of public opinion in the propriety of reviewing and reforming our policy, in regard to the business pursuits of the people, have drawn a more than ordinary observation towards the action of Congress upon these subjects.

The country at this time presents a remarkable spectacle. With every physical resource of wealth unimpaired: with fertile fields, favorable seasons, abundant crops to enrich our agriculture: with an extensive commerce sustained by a competent marine: with a vast accumulation of manufacturing power and machinery; a skilful, intelligent, and thrifty community of mechanics; and an increasing population endowed with all the qualities to secure to themselves the largest amount of prosperity, a universal complaint is brought to the ear of Congress of deep suffering in every department of industry.

It is not drawing too strong a picture of the present depression in the business of the people to say that agriculture enjoys no fair equivalent for its toil; that commerce, though seeking every sea, returns unrequited; that manufacturing labor has been heaping up its products without purchasers. Our artisans have been doomed to reduced wages and diminished employment: our foreign trade has been overmatched by foreign competition, and loaded with the burden of a constantly accumulating balance against it: our home trade has been crushed by bankruptcy. The credit

of the country, national, state, and individual, has been shaken;—much of it entirely destroyed. All around us are seen the evidences of a great nation struck by a sudden palsy—prostrated in the midst of the abundance that ought to have given it health and vigor.

The committee feel that they cannot satisfactorily acquit themselves of the task allotted to them, without referring to the causes of this depression in the internal affairs of the country. Profoundly convinced that the present state of the nation is alone to be attributed to some most unhappy mistakes in the policy of the Government, and that no permanent prosperity can be established in the various departments of national industry, whether of agriculture, commerce, or mechanical employment, until that policy be changed, they conceive it to be an important portion of their duty to point out the mistakes to which they allude, and to show the influence these have had upon the welfare of the community.

Such an exposition, in their opinion, should appropriately precede that more specific review of our systems of commerce and navigation which it is the design of the committee to submit.

In the administration both of our domestic and our foreign commerce we have adopted a system which has prevented a fair and profitable exchange of values. Our foreign commerce has exhausted the country of its wealth by crowding it with foreign merchandise: our home trade has been broken down by the wretched currency which the foreign had brought upon it.

The series of Government measures which brought about these results began in 1832. The history of the past will show us that the administration of our affairs was directed, from that date, towards the establishment of a vast paper money credit system, the effect of which, it was doubtless supposed, would be to expand the resources of the country and increase the activity of its industry to the accomplishment of great and beneficent ends. That, for a time, such a system should accomplish such ends, the experience of every commercial country has shown. Indeed, it would seem to be necessary to the enlightenment of nations, that each should make this experiment for itself; and thus learn, from its own trial, rather than from the admonition of others, the deceitfulness of that illusion of wealth which is created by an excessive use of credit.

In reviewing the last ten years we are not to be deceived by the indications they afford of apparent prosperity. Aggregates of national wealth and industry are always sufficiently striking; but they are especially to be distrusted when their great increase is referred to as proof of vigor in a period of unusually excited animation. They become, under such circumstances, proofs of the disease of the body politic, rather than of its health. The advances of a successful nation in wealth are better characterized by steady than by rapid increase. Fluctuations in trade and internal industry—though, in one extreme, exhibiting the most flattering activity and abundance—are to be regarded as signs of a disturbed and, therefore, not the most prosperous economy. We have seldom seen an epoch of peculiar disaster in trade that the statistics of the preceding years did not furnish warning of the evil by remarkable fluctuations of quantities and amounts. These observations will be found to be particularly applicable to the state of the country from the date we have referred to above.

On the 10th of July, 1832, the Executive veto put an end to the only system by which the Federal Government had ever been able to regulate or restrain the emissions of paper money through the authority of State banks. The existence of a central control over the paper currency of the country had been, until that date, with the exception of a short interval, not only theoretically but practically held to be essential to the useful exercise of the power to collect and disburse the revenues and to maintain a uniformity of value in the duties over the whole Union. The interval in which it had been suspended was distinguished for such disorders of the currency, as to lead the public mind irresistibly back to the system it had for the time intermitted.

The inducement to the veto was alleged to be a conviction, on the part of the Executive, that the paper currency, under the control of the central banking power, was not as good as it might be made. That central banking power was accordingly removed, in order to supply a better currency and in a less objectionable manner.

This better currency and less objectionable mode of supplying it, in the opinion of the Executive of 1832, and of those who controlled the legislation of the country, was to be procured by encouraging an increase of banking under the authority of the several State Governments.

This led to the adoption of what was generally known as the STATE BANK SYSTEM, which was designed to take the place, in its relation to the Treasury, which had, until the date of this substitution, been held by a National Bank.

The prominent features in this State bank system were—

A distribution of the Government deposits amongst certain chosen banks in each State :

A requirement of these banks to loan out the public moneys in the way of accommodation to merchants and others engaged in speculative enterprise :

To encourage the free issue of paper money by these banks, commensurate with the increase in their deposits : and

To take this money every where in payment of public dues.

The safety of these deposits was supposed to be assured by a requisition from each bank of some special security, which was rendered necessary in each case.

Upon this foundation the Executive and a large portion of the people of the United States indulged the hope of that better currency which had been promised, and were therefore reconciled to the withdrawal from our political system, of an institution which had, for forty years, been the chief instrument of the Government in the administration of its fiscal affairs. There were, however, many who doubted the capacity of the State banks to maintain a sound currency. These expressed their fears that the newly adopted system might lead to excessive banking operations, to redundancy of paper issues, and a consequent overtrading in the community ; that it might invite and, by supplying the means, produce inordinate speculation ; that it might stimulate rash undertakings in the way of internal improvements ; that it might multiply importations beyond the resources of the country to pay for them : and that the consummation of all might be, through an overwhelming increase of paper money, to plunge the nation into the abyss of suspended specie payments.

These apprehensions were expressed by many distinguished citizens :

they were not, however, entertained by the Executive and its friends in Congress, and the State bank scheme was consequently brought into full action.

It is sufficient now to advert to the fact, that the instant effect of this measure was to fill the land with new banks from one extremity of the Union to the other ; and to bring, with this increase, a multiplication of paper money unexampled since the days of the continental emissions of the Revolution,—or exampled only in the disastrous interval between the close of the first National Bank and the beginning of the second.

This new device for regulating the currency commenced its operations when there were about three hundred and fifty banks in the Union, with a capital scarcely exceeding \$150,000,000 :

It succeeded in creating upwards of seven hundred banks, with a capital of more than \$350,000,000.

It found a paper circulation but little above \$60,000,000 : it furnished one of \$149,000,000.

It found the discount facilities afforded to the country not much beyond \$200,000,000 : it raised them above \$525,000,000.

It doubled and trebled the prices of land ; it greatly increased the money value of all produce ; it raised the rate of interest, opened new sources of apparent wealth, and threw the whole country into a paroxysm of speculation. It increased all kinds of mechanical employment, extended commerce, attracted the cupidity of foreign enterprise, and brought amongst us thousands from other countries to participate in our fancied prosperity and to stimulate our adventure. It is due to this extraordinary impulse to say, also, that it settled the wilderness, built towns, constructed roads and canals, deepened rivers, and cut through mountains,—working the wonders of fable with the magic of paper money. With the same power that it wrought these miracles, was it also driving the community into bankruptcy. The phantom of wealth flitted before the people, and beckoned them to follow. Bewildered by the illusion, the nation suffered itself to be led over the precipice, towards which this deceptive guide surely and swiftly glided.

This natural progression of events, foretold in the beginning by many, was nevertheless unperceived or unheeded by those at the head of affairs, until the experience of present disaster forced it upon the attention of the whole country. It is now universally acknowledged because its effects have been universally felt.

Concurrently with the action of the Government upon the banking system, another cause was at work to give additional impulse to the multiplication of paper money and the consequent increase of speculation. The extinguishment of the national debt had released the public lands from the heavy charge which, up to that period, had been laid upon them. A new element of wealth, derived from the sales of these lands, was thus thrown into the revenues of the nation, applicable to ordinary expenditures. The sagacity of the President discerned the highly mischievous effect which was certain to result from such a variable and lavish supply of means being added to the ordinary resources of the Government. He saw that it would lead to extravagance and excess, and most injuriously disturb the orderly action of the Government upon the currency. He consequently invited the attention of Congress to this subject, in the following terms :

"It seems to me to be our true policy that the public lands shall cease, as soon as practicable, to be a source of revenue, and that they be sold to settlers in limited parcels, at a price barely sufficient to reimburse to the United States the expense of the present system and the cost arising under our Indian compacts. The advantages of accurate surveys and undoubted titles, now secured to purchasers, seem to forbid the abolition of the present system, because none can be substituted which will more perfectly accomplish these important ends. It is desirable, however, that, in convenient time, this machinery be withdrawn from the States, and that the right of soil and the future disposition of it be surrendered to the States respectively in which it lies."—See *President Jackson's Annual Message*, 1832.

Congress adopting the opinion of the Executive, so far as related to the impolicy of allowing the proceeds of the public lands to be brought into the ordinary expenditures of the Government, passed, by a large majority of both Houses, the act for distributing the proceeds of these lands, under certain conditions, amongst the several States. This act unhappily fell under Executive displeasure,—perhaps because it did not conform to that portion of the Executive recommendation which proposed the surrender of the whole to the few States in which the lands were situated. It was denied the President's signature.

This unfortunate difference of opinion between Congress and the Executive threw the proceeds of the lands into the revenues, and thus contributed a remarkable addition to the mischief-working materials which were then adulterating and destroying the currency. The banks, under the stimulus of the new system, were active in furnishing the means for speculation in the lands: the lands were equally effective in supplying deposits to the banks. These deposits were sources of new issues and new accommodations, for additional purchases of lands. These two forces acted reciprocally upon each other, augmenting, almost in geometrical proportion, their injurious power at each rebound. The sales of the lands began, in this process, at about \$2,000,000 a year: they rose to \$6,000,000—then to \$16,000,000, and finally to \$25,000,000, in the year 1836. The deposits, of course, increased in these proportions; and the banks founded upon them issues of paper of five, six, even ten dollars for one.

It was a very notable fact belonging to this money excitement, that the chief interests which fell within its influence were these speculations in the public domain, and that branch of industry connected with the cultivation and production of cotton. The export of cotton was singularly stimulated during the period referred to, whilst no other domestic product appears to have been specially affected by these measures.

An examination of the exports from 1833 to 1838 will show that those of flour, rice, pork, fish, and many other articles of domestic production, actually declined in amount after the year 1833; that tobacco and lumber experienced some increase, but not beyond that assignable to the proportion due to the increase of population; but that the export of cotton advanced by degrees rapid beyond all example in our former history. The committee will refer to a few facts connected with this assertion.

The export of cotton from the State of Georgia in the five years beginning with 1829, and ending with 1833, was valued at about -

- \$25,000,000

In the five years from 1834 to 1838 inclusive it was -

- 44,000,000

Showing an increase of near 70 per cent.

From South Carolina the export in this first term of five		
years, was valued at	- - - - -	\$38,000,000
In the second at	- - - - -	58,000,000
An increase over 50 per cent.		

From Alabama in the first period it was	- - - - -	14,000,000
In the second	- - - - -	43,000,000
An increase of 300 per cent.		

From Louisiana in the first period it was	- - - - -	80,000,000
In the second it was	- - - - -	166,000,000
An increase exceeding 100 per cent.		

The export of Northern and Western products, it will be found upon inspection, generally declined, or, at least, did not advance in the ratio of population, whilst the great Southern export increased in the manner we have stated.

This difference would seem to manifest how unreal was the foundation upon which this seeming prosperity was planted; and will suggest the true cause for that greater pressure of the evil of a bad currency which is now felt in the South with a weight so much more intolerable than in the other sections of the Union.

The committee have yet to notice another ministration of the Government which brought a great aggravation to the evils of the day. This was the free importation system, established by the acts of July, 1832, and March, 1833.

Reflecting upon the policy of the Government, as exhibited in the two measures to which we have already adverted, it is scarcely possible to conceive a more ingenious addition to their power to do harm than that presented by this system of free importation.

The enactments relating to the banks and the public domain opened every resource for the creation of paper money and easy accommodation: this free importation expedient furnished not only a convenient facility to the employment of these accommodations, but a most importunate invitation to the whole world to persuade the nation to spend with unstinted prodigality. It not only provoked our own merchants to indulge in the seductions and ruinous allurements of excessive trade, but it set the merchants and manufacturers of all Europe to the busy employment of their wits to invent devices by which the last dollar of the precious metals hoarded up in our secret depositories, might be drawn away.

We agreed to admit free of duty (or, in regard to some commodities, if not absolutely free, yet virtually so) silks, linens, worsteds, wines, teas, coffee, fruits, and sundry other articles, which, together, have constituted about one-half of our imports.

The first impulse which this gave to our trade was to render the United States the chief depository of the surplus stock of European work-shops; and, by the augmentation of the supply, much more than by the reduction of the duty, to furnish us with that greatly extolled blessing of cheap goods.

The next effect of it was to stimulate a variety of new inventions in foreign manufacture, by which a supply of attractive household goods, of the class exempt from duty, might be furnished to our population; and,

as far as these fabrics could be brought into use, to supersede the manufactures made from that long-fostered and valued staple of export,—our own cotton. The result of this measure has been, after eight years' experiment, to clothe a large portion of our own people in cheap mouselines de laine, and other fabrics of the same material; and in silks and linens, to the exclusion of just so much cotton cloth, which all our previous inculcations of good policy had taught us to believe it was an important object to bring into the most extensive consumption.

From the date of the free importation acts, our trade has, to a certain extent, ceased to be regulated by our own merchants. A great amount has fallen into the hands of foreigners, under a system of foreign consignment, and is disposed of through the agency of auction sales. The credits on the duties have furnished a capital for these foreign traders, and given a most destructive vigor to this mode of supplying or rather of glutting our markets. The duties are evaded through the very circumstance that the owners of imported goods are not within the jurisdiction of our laws; and frauds are consequently practised by persons over whom we can exert no vigilance. The tariff which protected *coarse* cotton goods has had no operation upon the *fine*, and we have, therefore, found large amounts of the costly cotton fabrics of France, Germany, and England,—articles of luxury and ornament—multiplied in our use, under lower rates of duty than have been imposed in several cases upon the necessities of life.

The trade with China has partaken of the same excitement; as also that with Brazil—which latter has been maintained under circumstances entitling it to higher favor, both on account of its increasing importance to the agricultural products and manufactures of the United States, to which it has hitherto afforded one of our best foreign markets, and of its value in the supply to our population of coffee, which the habits of the country are bringing into still more extended use.

In illustration of the effect of these measures upon the commerce and, incidentally, upon the habits of the nation, the committee refer to the following view of the import and consumption of foreign goods from the year 1830 to 1840, both inclusive :

			Amount imported.	Retained for consumption.
1830	-	-	\$70,876,920	\$56,489,441
1831	-	-	103,191,124	83,157,598
1832	-	-	101,029,266	76,989,793
1833	-	-	108,118,311	88,295,576
1834	-	-	126,521,332	103,208,521
1835	-	-	149,895,742	129,391,247
1836	-	-	189,980,035	168,233,675
1837	-	-	140,989,217	119,134,255
1838	-	-	113,717,406	101,264,611
1839	-	-	162,092,132	151,597,607
1840	-	-	107,141,519	88,951,207

From this statement, it will be perceived that, for the six years following the passage of the act of 1833, the importations increased with extraordinary rapidity; that the amounts of those not re-exported, but retained for domestic consumption, were, at one period, almost doubled; and that not until the country was whelmed in the financial embarrassments of

1840 was there any return to that more moderate course of trade from which it had been led away by the fatal influences of the paper money system.

There are other facts connected with this era worthy of observation. In a comparative view of the gross amount of imports in two succeeding terms of ten years each,—that is to say, from the year 1821 to the year 1830, both inclusive, and from the year 1831 to 1840, it will be seen, estimating the amount in millions and tenths—

That the amount imported in the first term was	-	-	\$798,500,000
In the second	-	-	1,302,500,000

Showing an increase of importations in the latter period of \$504,000,000.

The amount retained for domestic consumption during the first period was	-	-	-	-	568,900,000
During the second it was	-	-	-	-	1,103,100,000

Making an increase of domestic consumption in the country during this last term of \$534,200,000; and showing a consumption of foreign goods nearly double that of the former term.

A further examination will show that this great increase in the consumption of imported goods chiefly took place in that class of commodities which are ranked amongst luxuries; and that we are indebted for our excessive importations almost altogether to the appetite for superfluous expense and costly indulgence which it would seem to have been the careful effort of the Government to create.

A reference to a few of the most conspicuous articles of import, during the two periods of ten years above designated, will exhibit this fact in a light deserving of attention.

We present the following aggregates of importation during these terms:

THE IMPORTATIONS OF SILKS.

During the first term, from 1821 to 1830, amounted to	-	\$71,400,000
During the second, from 1831 to 1840	-	138,400,000

Being an increase of \$67,000,000.

OF WINES.

During the first term	-	-	-	-	15,900,000
During the second	-	-	-	-	29,700,000

Being an increase of \$13,800,000.

OF WORSTED GOODS.

During the first term	-	-	-	-	*15,800,000
During the second	-	-	-	-	45,100,000

Being an increase of \$29,300,000.

* There being no account kept of these importations in a separate form, previous to 1823, the two years of 1821 and 1822 are computed at the same amount as in 1823.

OF LINENS.

During the first term	-	-	-	-	-	£32,400,000
During the second	-	-	-	-	-	42,600,000
Being an increase of \$10,200,000.						

OF TEAS.

During the first term	-	-	-	-	-	24,400,000
During the second	-	-	-	-	-	42,900,000
Being an increase of \$18,500,000.						

OF COFFEE.

During the first term	-	-	-	-	-	50,300,000
During the second	-	-	-	-	-	89,500,000
Being an increase of \$39,200,000.						

These constitute the principal commodities which, since the acts of 1832 and 1833, with the exception of wines, have been admitted free of duty; and in regard to wines, the reductions of duty under the act of 1832,—which took effect on the 4th of March 1834,—were established at so low a rate as to be, in effect, equivalent to free importation. The above statement of these importations shows that silks and wines have been increased in our consumption nearly one hundred per cent.: that the introduction of linens, teas, and coffee has been greatly enlarged; and that the worsted goods of France, England, and Germany, which, in so many forms, have been manufactured to supplant the use of cotton, and now so largely enter into the consumption of the country, have been multiplied nearly three hundred per cent. since the adoption of the free importation act.

Contrasted with this view of the extension of our trade through the medium of free goods, an examination of the principal imports would show that, in the dutiable articles retained in the tariff since 1832, the increase of importation has preserved a ratio nearer to that of population; and although these importations were undoubtedly somewhat enlarged by the stimulus of the Government measures upon the currency, yet the difference between them and the free goods is sufficiently obvious to demonstrate the pernicious effect of reducing the duties, especially at a time when every day's experience was proving to us that the currency was suffering under the drain of a constantly accumulating foreign debt, which had its origin in the excessive influx of foreign goods into our ports.

A reference to a few articles of importation, subject to duty, in the two periods presented in the last statement, will afford an illustration of this fact.

The total value of WOOLLEN goods (excluding worsteds)	
imported between 1821 and 1830 is estimated at	- \$63,400,000
Do. from 1831 to 1840	- 82,400,000
Increase	\$19,000,000.

Value of COTTON GOODS imported in the 1st term	-	-	93,800,000
Do. 2d "	-	-	116,400,000
Increase \$22,600,000.			

Value of IRON AND STEEL imported in the 1st term	-	-	\$54,300,000
Do.	2d	"	- 92,200,000
Increase \$37,900,000.			

Value of EARTHEN AND STONE WARE imported 1st term	-	-	10,800,000
Do.	2d	"	- 17,700,000
Increase \$6,900,000.			

Value of HEMP MANUFACTURES imported 1st term	-	-	6,000,000
Do.	2d	"	- 5,600,000
Decrease \$400,000.			

Value of MOLASSES imported 1st term	-	-	22,600,000
Do.	2d	"	- 32,400,000
Increase \$9,800,000.			

Value of SUGAR imported 1st term	-	-	42,900,000
Do.	2d	"	- 68,600,000
Increase \$25,700,000.			

Value of SALT imported 1st term	-	-	6,100,000
Do.	2d	"	- 8,000,000
Increase \$1,900,000.			

It is proper to observe, in reference to a portion of these importations, that the descending scale of duties, as provided in the act of 1833, has had a manifest effect to quicken importation in proportion as the reduction of duty lessened the amount of protection afforded, and brought the American manufacture more directly within the range of foreign competition. This is strikingly true in some branches of the iron business, in the importation of glass ware,* and some other foreign manufactures. In regard also to the fine cotton goods, which have never been manufactured in the United States, the successive reductions under the act of 1833 have very visibly stimulated the yearly importations from France and England, and have so far served not only to contribute a full share to the embarrassments produced by overtrading, but to feed that taste for foreign luxuries which has become so conspicuous amongst the causes which have drained the wealth and enervated the morals of the community.

In this summary review of the policy of the Government displayed in the three most prominent and significant measures of the last ten years,—those relating to the bank, the lands, and the free importations—the committee believe they have presented the most ample evidence of the origin of the disorders which have affected the general industry of the country. It was impossible, in their judgment, to do justice to the several inquiries submitted to them, without bringing these topics into view, in order that the proper weight might be attributed to causes of such active influence upon the pursuits of the country. Commerce, navigation, domestic industry in all its departments, have equally suffered under the pressure of

*The importations of glass ware have been as follows:

Aggregate value of imports from 1826 to 1830, both inclusive,	\$2,300,000.
Do.	1831 to 1835, " 3,000,000.
Do.	1836 to 1840, " 4,100,000.

these causes. The great source of derangement in the business of the country has, for years past, been attributed to the condition of the currency. That condition was itself but the consequence of the policy of the Government; and whilst our whole population look with intense anxiety to a reform of the currency, it cannot be too deeply impressed upon them that that reform is only to be permanently secured through a change in the system of measures which, we have endeavored to show, has been the parent of the whole brood of ills.

If it were possible to restore the banking system to what it was in 1829, making allowance only for such increase as would properly follow an increase of population;—to withdraw the millions of excessive bank capital, and shut up the hundreds of unnecessary banks which the Government quickened into birth; to restore an effective, well-regulated central National Bank, which should control, as the country has once seen such an institution control, the banking establishments of the several States, one great step would be taken towards the revival of national prosperity.

That wholesome suggestion which seems to have been a favorite principle in the early stages of the administration to which the committee have alluded, but which, without assignable motive or public justification given for it, was unhappily repudiated by its own patrons at a later day,—the importance, namely, of withdrawing the proceeds of the public lands from the sphere of the ordinary revenues and expenditures of the Government—has already been adopted by Congress. If this wise and beneficent measure shall be persisted in, the committee do not doubt that the country will find not only that these proceeds, justly the property of the States, may become the means of redeeming the faith of the States, and thus of invigorating the credit of the Union itself; but also that this appropriation of the fund will insure a greater steadiness in the financial action of the Government, and impart the same character to the currency.

A revision of the tariffs of 1832 and 1833, conducted with a view to the restoration of duties upon a large class of merchandise, until lately admitted free, and to the establishment of such discriminations as shall afford all the protection to our own industry which is necessary to secure to our own artisans whatever they are capable of supplying to the consumption of our own country, must be ranked as the third great step—and, in the opinion of the committee, above all others in importance,—in the effort to resuscitate the trade and restore the business of the country.

Having thus completed that preliminary survey of the measures which have, to so large an extent, influenced and depressed the occupations of the people in every branch of employment, the committee now proceed to examine the state of our commerce and navigation. They propose, without entering into a very minute detail of the manifold interests connected with this question, to present a general view of the system by which our commercial relations are regulated, and to furnish such evidence as may be within their reach, of the operation of that system upon the prosperity of this department of our public economy.

They think that an examination of this subject will convince the House of the importance of some very decisive change in the conditions upon which our commerce and navigation are sustained with foreign States; and that although this interest may possess inherent vigor to rise above all the embarrassments which an injudicious policy may have placed in its way, and under that impulse have even grown in strength, yet that its great

value to the country entitles it to a more efficient protection than it now receives.

In framing a system of laws for the regulation of the shipping of the United States, our policy has always professed to keep in view three leading objects:

First. To protect and encourage the construction and employment of our own vessels to the greatest extent which our intercourse with other nations would allow:

Second. To reserve the coasting trade exclusively for our own occupation: and—

Third. To nurture with the utmost care a numerous body of skilful and hardy seamen, not only as the necessary resource of our commercial marine in time of peace, but as the indispensable support of an efficient navy in time of war.

Early after the adoption of the Constitution, acts were passed for the promotion of these objects, which were moulded chiefly upon the model of those navigation laws of Great Britain, by the efficacy of which that nation, in a career of more than a century and a half, had attained to an almost undisputed supremacy upon the ocean.

The system was avowedly and distinctively *protective* of the interest it had in charge. It was a system of restrictions upon the commerce and shipping of foreign nations for the benefit of our own. The American ship owner was guarded and protected against the competition of the whole world, by discriminations in his favor in the duties both on merchandise and tonnage, as well as in the port charges and other expenses of his voyage; provision was made for the encouragement of American seamen; and the system was administered with a strict and jealous regard to the privileges which it conferred. If the severity of these restrictions was occasionally relaxed, in favor of particular nations, it was never without a specific equivalent; and the subject was left at all times at the disposal of the Government, to be controlled by the legislation of Congress, as the occasion might demand.

Our Government treaties, whilst this policy prevailed, seldom extended beyond a stipulation to place the friendly Power upon the footing of "the most favored nations," in regard to commercial advantages. They gave no pledge against such discriminations as might be found necessary to the promotion of our own trade, further than an agreement that such discriminations should not be applied to the party with whom the negotiation was made, without also applying to all other nations.

The most prominent point which was to be observed in this scheme for the regulation of our commercial connexions, was that the whole subject of trade and navigation was always kept within the control of Congress, and might be altered, relaxed, or enforced as the circumstances of the times and the case might render expedient.

This system was rigidly maintained from the foundation of the present form of government until the year 1815, from which year we are to date the inception and progress of a new policy.

During the whole of the term referred to, from 1790 to 1815—the period of our restrictive system—excluding from it only the interval of the war and the embarrassments that immediately preceded that event—the growth of the American marine constitutes one of the most striking facts in the history of the country.

The general pacification of Europe in 1815 brought about a new order of things. It converted belligerent nations into commercial rivals. It was foreseen that the maritime States would devote their means to the extension of their shipping, and that the energy and resource which had been expended in war must produce a very visible result in the cultivation of the arts of peace. Great solicitude was therefore naturally felt in this country for the adoption of such a system as should be most likely to secure, on a permanent foundation, our commerce and navigation against the rivalry that was preparing for it.

Our chief customer in trade was Great Britain. An agreement for reciprocal privileges, or rather of freedom from discriminations in the ports of the two countries, was regarded as a matter of great interest to both; and as an opinion prevailed in the United States that we could navigate the ocean on terms at least as favorable as the subjects of Great Britain, a treaty was proposed which should establish certain privileges of trade and navigation upon a basis of reciprocity. The proposition was accepted by Great Britain, but with a scrupulous exclusion of her colonies and other foreign possessions. The result was the convention of London, which was signed on the 3d of July, 1815. This is the first reciprocity treaty known in the history of the two nations. It was originally limited in duration to four years; was extended, in 1818, for ten more, with an indefinite continuance, subject to one year's notice of the desire of either party to annul it—and upon this footing is now in force.

The principal stipulations of this convention were—

First. That no higher or other duties or prohibitions upon the imports or exports, respectively the growth, produce, or manufacture of the British territories in Europe on the one side, or of the United States on the other, should be laid by either party against the other, than should be laid on the like articles, the growth, produce, or manufacture of other nations:

Second. That the vessels of each nation should be admitted into the ports of the other on the same terms, as regards tonnage duties and charges, as their own:

Third. That the same duties were to be paid in the ports of each upon importations the growth, produce, or manufacture of the other, whether imported in the vessels of the one party or the other.

Such were the limitations of what was understood to be the *reciprocal privileges* of the two countries.

This treaty was regarded as an experiment in the intercourse between the parties. The restriction of its operation, on the British side, to the British territories in Europe; the rigid exclusion from it of any arrangement for trade with her colonies; and the limitation of the privileges to commodities the growth, produce, and manufacture of the contracting parties, all show with what caution, and even distrust, this first departure from the old system of international commercial regulation was adopted.

The progress of this experiment has been observed with different and conflicting opinions of its value. On the British side it is claimed as a measure which has been productive of unequivocal good to that nation, and as having greatly advanced the interest of her navigation in the American trade. A similar claim has been made for it on our side. The committee, in the course of this report, will endeavor to present some facts touching this question which may aid in the decision of it. It is sufficient now to say that, for ten years after this convention, no treaty was made by

this country upon the same basis: that, in 1818, a treaty with Sweden, and, in 1825, another with Colombia, were ratified, which were negotiated upon the old principle of placing the parties, with respect to each other, upon the footing of "the most favored nations."

The year 1824 was memorable both in this country and in England for a very spirited excitement upon the two opposite theories of free trade and protection. It seemed to be an object of high concern to Great Britain, at least to spread abroad an opinion of her faith in the efficacy of a system of free trade. Some few reductions were made, in the following year, in her imposts,—reductions from a very high standard of protection, to a lower standard of protection. The duties on many raw materials employed in her manufacture were removed or placed at so low a rate as to be equivalent almost to free importation; and a very distinct and conspicuous change in her tariff was made by some striking discriminations in favor of her colonies. Great emphasis was given to these alterations as so many concessions to that new principle of commerce which was to bring all nations into the enjoyment of a perfect equality of privilege; and these concessions were used as an argument to induce the United States at once to remove whatever impediments their legislation might have opposed to the introduction of British manufactures into every avenue of our domestic wants. As a part of this liberal plan, Great Britain also entered into negotiations with foreign Powers for the exchange of reciprocity treaties. She accordingly, in the years 1824 and 1825, negotiated treaties on this foundation with Prussia, Hanover, Denmark, Oldenburg, Mecklenburg, the Hanse Towns, the States of Rio del Plata and Colombia.

Whilst this new fervor prevailed in England, its influence became active in the United States. The tariff discussions of 1824 are full of evidences of the contagion of this transatlantic philosophy; and the lapse of a few years has shown how rapidly we can imitate the policy, or at least adopt the maxims of our commercial rival and teacher.

Following immediately upon the footsteps of Great Britain and borrowing, almost verbatim, the language of her diplomacy, we concluded reciprocity treaties with Central America in 1825, with Denmark in 1826, with Sweden and the Hanse Towns in 1827, with Prussia and Brazil in 1828, and thenceforward, in rapid succession, with Austria, Mexico, Russia, Venezuela, Greece, Sardinia, the Netherlands, Hanover, and Portugal.

By this course of negotiation the reciprocity system has been extended over a very large field of our trade. The exceptions will be noticed hereafter.

These reciprocity treaties are of various import, more or less restricting the mutual privileges of trade. They may, however, without regarding some less important modifications, be described under two classes. The first class stipulates—

1. For the privilege of importing from, and exporting to, either nation respectively, articles *the growth, produce, or manufacture* of either, without discrimination in duties or tonnage, in the *vessels* of either:
2. Not to lay duties on the productions of either, which are not laid on similar productions of all other nations: and—
3. For an equality of port charges, &c., on the vessels of each in the ports of each.

The second class may be briefly described as differing from this, main-

ly, in the important feature of extending the privilege of mutual import and export beyond commodities the growth, produce, or manufacture of each nation, *to the productions of all other nations* which by the laws of each country might be imported in its own vessels; and that such importations and exportations might be made directly from and to all such other nations, in the vessels of each of the contracting parties.

In both of these forms of treaty all interference in the coasting trade of each party is forbidden to the other.

In examining these two classes of stipulations it will be perceived that, under the first, the parties are left at liberty to discriminate against each other in regard to imports or exports *not* the growth, produce or manufacture of either. In a few instances this privilege is qualified by a special designation of the countries, the growth, produce, or manufacture of which may be imported or exported within the provisions of the treaty: and generally where the parties have colonies these are either excepted, or made the subject of particular regulation. To this class of treaties, without stopping to indicate some minor peculiarities in each, we may refer those at present subsisting with England, Mexico, Hanover, and Portugal.

Under the second class, no discrimination is allowed to be made in reference to importation or exportation from or to any part of the world, with which the parties carry on trade; or in reference to any kind of merchandise, without respect to its origin, which either party has not prohibited to itself. In this class is to be ranked all the other reciprocity treaties heretofore enumerated. A modification of this principle, however, it is proper to remark, will be found in the treaty with the Netherlands, which confirms the privilege of importation and exportation on equal terms, to merchandise imported *from* and exported *to* the ports of either nation, but without any restriction as to the *origin* of the commodity.

The extension of the privilege of reciprocal trade, as defined in this latter class of treaties, is a very significant fact in the present policy of this Government, and certainly manifests a desire on our part to test the principle of free trade, as regards our navigation, by experiment on the broadest ground.

Before leaving this survey of the foundations upon which our commerce and navigation have been placed, by treaties established on the principles of reciprocity, as that term is now understood, it may be proper to notice the relations which subsist between this Government and France, which, although not strictly brought within either of the classes we have described, are yet maintained by a treaty securing a limited reciprocity.

A commercial treaty with that nation was signed on the 24th of June, 1822, which was to continue in force for two years from the 1st of October in that year, or until one of the parties should, by six months' notice, have declared its intention to renounce it.

It provided that articles the growth, produce, or manufacture of the United States, imported into France in American vessels, should pay a discriminating duty of twenty francs per ton of merchandise, more than if imported in the vessels of France.

And, on the other hand, that articles the growth, produce, or manufacture of France, imported into the United States in French vessels, should pay a like discriminating duty of three dollars and seventy-five cents per

ton. It was further stipulated that if the treaty should be continued beyond the two years, these discriminating duties should be gradually reduced, after that term, by an abatement of one-fourth the amount in each year thereafter. The treaty having been continued, these reductions were accordingly made, until the whole duty on each side was removed.

The same treaty forbids any discriminating duty to be levied on the exports of the other in regard to goods imported for transit or re-exportation.

It is also provided that the vessels of the United States shall pay in the ports of France, for light money, tonnage, and port charges, over and above those paid by French vessels, five francs per ton: and that French vessels in the United States shall, in like manner, pay, over and above what is paid by American vessels, ninety-four cents per ton.

These are the existing treaty arrangements with this nation. So far as regards discrimination in the duties on cargo, they confine each party to a permission to ship, in its own vessels, to the ports of the other, articles the growth, produce, or manufacture of the country from which the shipment is made.

The discrimination still exists on tonnage. And either party is at liberty to impose what restrictions it may think proper, even to absolute exclusion, on all imports by the other, from *foreign nations* or on the *produce of foreign nations*. Either party may discriminate in favor of foreign nations against the other: and as our own Government has no power to lay an export duty, this treaty so far gives the advantage to France in leaving a restriction upon her exports to the United States, at her own discretion. France has fully availed herself of these reservations of privilege in the variety of discriminations with which her tariff abounds.

The Government of the United States, from an early date, has evinced a liberal desire to enlarge the privileges of foreign trade. In the year 1815, previous to the convention of London, this inclination was embodied in the act, approved on the 3d of March of that year, which proffered a release of discriminating duties to all nations which should reciprocate that policy—the release having respect to goods the produce of the country from which they were imported, in the vessels of the country. Other acts of Congress of the same character, having reference to particular nations, have been frequently passed since. Under these acts, variously modified, and the treaties to which we have alluded, this reciprocity has been established in our intercourse with nearly all the commercial States with which we are accustomed to trade.

Thus it may be said that our commerce has been proffered to the world upon terms dictated by the most friendly disposition, and with a sincere desire to give the utmost scope to the expansion of commercial adventure. How far this policy has been reciprocated, and what has been the success of the experiment where the reciprocation has been most prompt and active, are questions worthy of earnest reflection. The committee have made this reference to the distinctive features of our reciprocity treaties, and to the legislation which has, independent of treaty, placed our commerce upon a reciprocal footing, from a desire to present more intelligibly some considerations upon this policy which they think it important to submit. In addition to the treaty with Colombia heretofore alluded to, they have omitted to enumerate the treaties with Chili and Peru Bolivia in 1833 and 1836 respectively, because these treaties, like that of Colombia

stipulating to place the commerce of the contracting parties upon the basis of "the most favored nations," do not strictly embrace the reciprocity principle as understood in modern diplomacy.

Before dismissing this branch of their subject, the committee would remark, in regard to the colonial possessions and other dependencies of the principal Powers of Europe, that an examination of the commercial regulations under which they are placed would show that, with few exceptions, they are maintained under a rigid system of discriminations, and in many cases of even total prohibition of intercourse, except with the countries to which they belong. The policy of bringing them within the scope of the reciprocity system, with the exceptions referred to, has been constantly denied; and in the generality of cases whatever relaxation has been allowed in favor of particular countries, has been so sparingly applied, so much encumbered with reservations and conditions, and made so dependant upon occasional and temporary legislation, as to justify the remark that the ancient system of restriction still exists in regard to them, notwithstanding all the benefactions which are claimed for the supposed liberality of modern commerce. The committee abstain from presenting a view of the numerous and complicated details of these regulations, only because they do not deem it indispensable to their survey of our navigation, and would therefore avoid the risk of too largely increasing the volume of this report.

Having presented this outline of the most prominent conditions upon which our commerce and navigation are maintained in their relations to the chief maritime States of Europe and America, we propose to inquire into the effect which these arrangements are supposed to have produced upon the interests they were intended to promote.

Estimating the value of our commercial relations by the amount of our *imports and exports*, we may rank the several countries and their dependencies, with which we trade, in the following order:

Great Britain	Russia	Sicily
France	Denmark	Portugal
Spain	Sweden and Norway	Turkey
Mexico	Chili	Austria
Brazil	Venezuela	Texas
China	Belgium	The Cisplatine Republic
The Hanse Towns	Italy	The Argentine Republic
The Netherlands	Hayti	Peru

Estimating these several States by the amount of our *navigation* employed in the trade with them, we should have occasion to place them in a very different order, as will hereafter be seen.

Without designing to enlarge their report by a minute survey of this field of commerce, the committee propose to exhibit a view of the proportions in which our trade is distributed amongst some of the principal countries enumerated in this list; and with that object invite attention to the following tabular statement, the purport of which is to show the entire import and export of the United States at four successive periods, beginning with the year 1825 and ending with 1840; and, in connexion with this, also to show our imports and exports in the trade of each of the several countries designated in the table, during the same years. We may

determine from this table not only the relative value of the trade of each nation referred to, but also its increase or decrease during the term.

Total import and export of the United States.

		Imports.	Exports.
1825	-	\$96,340,075	\$99,535,388
1830	-	70,876,920	73,849,508
1835	-	129,391,247	121,693,577
1840	-	107,141,519	131,571,950

Of these amounts there were imported from and exported to—

Great Britain and her dependencies.		France and her dependencies.	
	Imports.	Imports.	Exports.
1825	\$42,394,812	\$44,217,525	\$11,891,327
1830	26,804,984	31,647,881	11,806,238
1835	65,949,307	60,167,699	20,335,066
1840	39,130,923	70,322,986	22,355,905

Spain and her dependencies.		Brazil.	
	Imports.	Imports.	Exports.
1825	\$9,322,791	\$2,156,707	\$2,393,754
1830	8,373,681	2,491,460	1,843,238
1835	15,617,140	5,574,466	2,608,656
1840	14,019,650	4,927,296	2,506,574

Mexico.		The Hanse Towns.	
	Imports.	Imports.	Exports.
1825	\$4,044,647	\$2,739,526	\$3,121,033
1830	5,235,241	1,873,278	2,274,880
1835	9,490,446	3,841,943	3,528,276
1840	4,175,001	2,521,493	4,198,459

Netherlands and dependencies.		Russia.	
	Imports.	Imports.	Exports.
1825	\$1,253,369	\$2,067,110	\$287,401
1830	1,356,765	1,621,899	416,575
1835	2,963,718	2,395,245	585,447
1840	2,326,896	2,572,427	1,169,481

Sweden and dependencies.		Denmark and dependencies.	
	Imports.	Imports.	Exports.
1825	\$1,417,598	\$1,539,592	\$2,701,088
1830	1,398,640	1,671,218	2,014,085
1835	1,316,508	1,403,902	1,780,496
1840	1,275,468	976,678	1,193,500

The four periods selected for this exhibit have been adopted to show the state of our commerce at regular intervals of five years. Other years—especially 1836, '7 and '9—would have presented a larger amount of trade; but as the object of the committee was to furnish the means of estimating the proportions in which our commerce has been extended to the different

countries in the table, it is sufficiently full for that purpose. It shows that the trade with Great Britain and her dependencies has maintained, for the last fifteen years, a ratio of very nearly one-half of our whole foreign commerce,—increasing and declining with a remarkable correspondence to the general aggregate of our trade with the world.

It will also be seen that the trade with France and Spain, and their colonies, which had varied but little in the two first terms of the table, has experienced a very considerable increase in the two latter,—that of France from about one-ninth of our whole trade to about a sixth;—and that of Spain, somewhat in the same proportion: and it will be remarked that the trade with the several Powers in the north of Europe, comprehending Russia, Denmark, Sweden, the Hanse Towns, and the Netherlands, has undergone much less change since 1825 than might have been expected in such a lapse of time. Their aggregate commerce at the present day would present a result not widely differing from that of the year alluded to.

The committee have invited attention to this survey, of the relative proportions and amount of our trade, with a design to connect it with a view of the navigation employed in its prosecution with the countries enumerated, as well as with a few others not included in the table.

The eager interest in whatever concerns our navigation, which is so extensively felt throughout the country at the present time, furnishes a peculiar inducement to this investigation.

The extraordinary increase of foreign shipping in our ports has awakened a general inquiry upon the subject. The steadiness with which that increase has advanced, through a series of years, indicating no temporary or occasional impulse, but some permanent source of vigor, has diffused an apprehension that it is still to continue, and that it may, at no very distant day, arrive at a point which shall present the anomaly of American commerce chiefly sustained by the ships and seamen of transatlantic nations. On a question of so much concern, Congress will doubtless be influenced by broad and patriotic views of the national interest, and will not hesitate to discard whatever error of theory or practice it may be convinced has crept into the administration of this branch of our polity.

To enable the committee to present the condition of our navigation intelligibly to the House and the country, with reference to the subject under discussion, they have prepared a table, which will be found in the appendix accompanying this report, marked No. 1, which exhibits—

1st. An aggregate of the value of imports and exports in each year from 1830 to 1840 both inclusive:

2d. The total amount of tonnage, foreign and domestic, entered and cleared in each of the same years: and—

3d. The tonnage entered and cleared in the same years belonging to the principal nations with which we have been accustomed to trade.

The aggregate of import and export is given in each year as an index of the extent of our commercial operations, and in order that it may be compared with the amount of the tonnage which it has employed. The navigation of each country is furnished to show to what extent each has participated in the carriage of the commodities constituting this aggregate of commerce.

Without designing more than a very brief comment upon this table, the

committee would draw the observation of the House to the following conspicuous facts which it exhibits:

In 1830, the whole amount of foreign tonnage which entered our ports was	-	-	-	-	131,900 tons.
In 1835, it had increased to	-	-	-	-	641,310 "
In 1840, to	-	-	-	-	712,263 "

Showing an increase of foreign tonnage in the first five years of nearly 500 per cent.

In 1830, the total import of merchandise, valued at about seventy-one millions of dollars, employed an amount of American shipping entered as	-	-	-	-	967,227 "
In 1835, nearly one hundred and fifty millions of imports employed	-	-	-	-	1,352,653 "
In 1836, imports but little short of one hundred and ninety millions employed	-	-	-	-	1,255,384 "
And in 1840, an import of one hundred and seven millions employed	-	-	-	-	1,576,946 "

It will thus be seen that the increase of our navigation in the first five years was less than 40 per cent., and the whole ten years but little over 60 per cent; that notwithstanding the great increase of importations in 1835 and '36, the employment of our tonnage was not proportionately augmented; and that the principal benefit of that additional trade, as far as navigation was concerned, we may infer, was enjoyed by the owners of foreign vessels.

Turning from these aggregates to the navigation of the particular countries referred to, we shall see, that—

In 1830, the British tonnage which entered our ports amounted to 87,231 tons; in 1835 to 529,922; and in 1840 to 582,424,—being, in the first of these periods, about three-fourths, and increasing, in the second and third, to nearly five-sixths of the whole amount of foreign tonnage entering into the United States.

A reference to the Treasury returns will show that in 1830 our shipping which entered from Great Britain and her dependencies, amounted to 473,205 tons; in 1835 to 654,719, and in 1840 to 826,900:—that consequently in the first of these years the British shipping in our trade was less than one fifth of our own: in the second it had increased to upwards of four-fifths; and in the third stood somewhat above four-sixths of that belonging to our own citizens. And it will also be perceived that the increase of British shipping in our ports in the ten years since 1830, has reached the ratio of nearly six hundred and seventy per cent.

The French tonnage in the same aspect in which we have regarded the British, was, in 1830, 11,156 tons; in 1835, it was 15,457; and in 1840 had increased to 30,701 tons.

Our tonnage entering from France and her colonies was, in 1830, 120,793; in 1835, 107,533; and in 1840, 130,541 tons: the French, through these three periods, bearing, relatively to our shipping, the proportion of something less than one-tenth in the first, of one-seventh in the second, and a fraction below a fourth in the third; and having increased in the ten years since 1830 about 180 per cent. The increase of our shipping in French ports, in the same time, was about 9 per cent.

Following this inquiry, to the navigation employed in the trade with Spain and her colonies, we shall find the amount of Spanish tonnage entered in 1830, 12,299 tons;—in 1835, 24,497, and in 1840, 15,927.

The American tonnage employed in the same trade was, in 1830, 148,419; in 1835, 221,345; and in 1840, 257,421 tons.

The increase of the Spanish tonnage in the first five years was about 100 per cent.; in the next five it fell to a ratio little exceeding 25 per cent. Our tonnage has steadily increased to a proportion of more than 70 per cent. of what it was in 1830. The imports from Spain and her colonies, as will be seen by the table heretofore given, have increased at about the same rate.

Looking next to the shipping employed in our trade by the subjects of the northern Powers of Europe, including the Russian, Prussian, Swedish, Danish, Dutch, and Hanseatic, we shall see that, in 1830, the aggregate of their tonnage entering our ports was 16,204; in 1835 it was 52,083, and in 1840, 68,472 tons. The American shipping entering in the same years from the ports of these six Powers was, in 1830, 152,213; in 1835, 95,061, and in 1840, 97,683 tons. The foreign shipping having *increased* more than 400 per cent;—the American having *decreased* something more than 40 per cent.:—the trade through this interval having but little changed in amount.

Amongst the countries enumerated in this aggregate, the increase of the shipping of the Hanse Towns and of Sweden will attract particular remark;—the first having increased from 9,653 tons, in 1830, to 70,703 in 1837, and to 41,874 in 1840;—the second from 4,136 in 1830, to 16,964 in 1840, and having at one year in the interval (1837) reached 27,849 tons.

The shipping of Austria and Mexico have been given in the table as exhibiting, in some years of the series, a very considerable addition to the foreign navigation in our ports, and as somewhat remarkable for their variations: that of Austria, especially, in 1837 being 16,779 tons, whilst the American shipping of the same year entered *from* Austria was 4,751 tons, and that cleared *to* Austria was 2,179 tons.

A careful inspection of this table and a comparrison of the results which it furnishes with the amount of our commerce with the various nations referred to, will suggest the following conclusions:

That our foreign trade, during the last ten years, has been characterized by very remarkable fluctuations in the amount of imports and exports; and that it has been especially distinguished for its frequent exhibition of a large excess of imports beyond the exports:—an excess in 1835 of more than \$ 27,000,000; in 1836 of more than \$61,000,000, and in 1839, of upwards of \$40,000,000:

That this excess of importation, though greatly stimulating the employment of our own shipping, has, in greater degree, stimulated that of foreign nations:

That, independent of the amount of trade carried on between the United States and foreign countries, there are other active and efficient causes at work to increase the employment of foreign shipping and, to a certain extent, to supplant our own.

This table, it will be observed, presents a view of the *employment* of our navigation. The record of entries and clearances is but an enumeration of the *voyages* made by our own and foreign vessels, to and from our ports in each year. To ascertain the actual quantity of our shipping, we

must have recourse to the registry, enrolment, and licenses, as also to the report of the vessels *built* in each year.

The committee would submit a few considerations derived from a survey of our shipping as afforded by a reference to these sources of information.

We have already seen that the American tonnage *entered* into the United States in 1830 was 967,227 tons, and that, in 1840, it was 1,576,946 tons. The clearances varied but little from the same amounts.

The proportion between these two amounts would seem to infer an *increase* of American shipping during the interval, in a ratio above 60 per cent. No estimate, however, of the increase of our shipping can be formed upon this basis—the greater or less activity in the employment of our vessels being casual and dependant upon temporary causes. An inspection of the table, for example, will show that between the years 1830 and 1831,—1833 and 1834, and 1835 and 1836, respectively—there was a *diminution* of our own tonnage entering at our several ports;—whilst, at the same time, a reference to the registry would furnish evidence of an actual increase of American vessels. The committee notice this fact only to correct an error which is somewhat prevalent, and which might mislead many in the estimate of our navigation.

The registry and enrolment are not, however, the most accurate guides upon this subject; and it is to be regretted that we have not in the statistics of the Government any means of entirely exact information as to the real amount or quantity of our shipping. Many vessels, which have been withdrawn from employment by loss at sea, by sale to foreigners, and by decay, are not reported in season, or with sufficient precision, to supply at all times a perfectly correct account of the shipping in use by citizens of the United States. We, nevertheless, take these returns of registered, enrolled, and licensed tonnage for such information as they give. They will be found in table No. II, in the appendix to this report.

According to this document our registered tonnage (—that employed in *foreign* trade—) amounted in 1830 to 576,475 tons, and in 1831 to 620,451 tons. In 1828, the register showed 812,619 tons; but the corrections made in it, in 1829 and '30,—by striking from it a large quantity ascertained to be sold abroad, lost, decayed, and abandoned—had reduced the aggregate to the sums above mentioned. The registered tonnage of 1840 is 899,764 tons. How much of this amount may hereafter be ascertained as proper to be erased from the registry, the committee cannot conjecture. If it be all in existence at this time, it would show an increase of registered tonnage, since 1830, of something more than 50 per cent.—and since 1831, of a fraction above 40 per cent. An inspection of this table, No. II, will also show that the increase has been apparently progressive from 1830 to 1836, and from 1837 to 1840; but that, between 1836 and '7—owing, as the committee are aware, to the erasure of tonnage then ascertained to be lost, &c.—a great diminution took place. We may, however, presume the fact to be that the tonnage has actually increased, from year to year, through the whole series since 1830.

A recurrence to table No. I, will indicate that the foreign commerce has not *progressively* increased through these periods; but, on the contrary, as we have already remarked, has exhibited great fluctuations. The same may be said of the entrances and clearances of the American tonnage employed in foreign trade. It is obvious, therefore, that the increase

of the registered shipping, has not corresponded, nor kept pace, with, either the amount of our foreign trade, or the employment of our navigation. What, then, is the true ratio of its increase is not to be ascertained from the table to which we have referred. That, with an occasional exception, more vessels are built every year than are sold abroad, lost, or condemned as unseaworthy, is apparent from official papers; and, therefore, that our tonnage has increased from year to year may be regarded as certain. But that this increase has not steadily advanced in equal proportions in each year since 1830 we may show from authentic documents.

The following statement will point out the actual increase or decrease of the registered tonnage as derived from the annual report of the quantity *built* in each year, with a deduction of the amount sold to foreigners, lost at sea, and condemned as unseaworthy, so far as these deductions have been reported to the Government:

Year ending	Quantity built.	Sold, lost, and condemned.	Actual increase or decrease.	
December 31, 1830	21,242 tons.	31,801 tons.	10,558 decrease.	
1831	45,720 "	24,484 "	11,236 increase.	
1832	72,982 "	29,890 "	43,092 "	
1833	73,979 "	17,610 "	55,369 "	
1834	52,622 "	16,944 "	35,678 "	
*From Sept. 30, 1835, to Sept. 30.	1836	46,635 "	29,924 "	16,711 "
	1837	42,343 "	34,063 "	8,280 "
	1838	41,859 "	26,271 "	15,588 "
	1839	55,065 "	27,247 "	27,818 "
	1840	56,121 "	42,135 "	13,986 "

Whatever may be the amount of registered tonnage extant at any one period, and the amount sold, lost, and decayed, but not reported to the Government,—it is quite clear that, the actual quantity *built* in each year being given, and that actually reported as sold, lost, and decayed being deducted, will furnish us the *maximum* of what, under any circumstances, can be regarded as the *increase* of our shipping. In this point of view the above statement may be relied on to show the *highest* rate at which the navigation of the country could, under any contingency, have increased.

So regarding it, it is worthy of observation that the largest additions to our shipping were made in the years 1832 and 1833; and that both the *building* of vessels for the foreign trade, and the *ratio of increase* have been less since 1834 than before that period. The four years from 1831 to 1834, both inclusive, yield an average yearly increase of 36,000 tons of shipping: the five years from 1836 to 1840 yield an annual average of but 16,000 tons. The first four years thus supplied an actual addition to the registered tonnage of 145,361 tons. The second five years supplied

*Until the close of 1834 these returns were computed yearly from the 31st of December; after that date they were computed from the 30th of September.

but 81,477 tons. If, instead of resorting to this mode of computation of the new tonnage, we look to the registry, we shall there discover a remarkable difference in the result. That registry—see table No. II, appendix—presents, instead of 145,361 tons, for the increase between 1831 and 1834, an addition of 236,987 tons,—which it is impossible to regard as true compatibly with the truth of the other official reports to which we have referred. The same registry, in like manner, shows the increase of tonnage between 1836 and 1840 as but 1,990 tons, whilst the former computation proves it to be 81,447 tons, as we have seen.

These discrepancies cannot but produce great distrust in any arguments or conclusions derived from the official list of registered, enrolled, and licensed tonnage, and may serve to show the insufficiency of any comparison between our navigation at different periods, when founded upon no better data than these returns. This list, however, with such corrections of it as may be made from the sources we have indicated, affords, with as much accuracy as our present purpose requires, the conclusions which we have drawn from it.

Whilst pursuing this general inquiry into the state of our shipping and its employment during the last ten years, the committee desire to make a cursory reference to its condition in the previous ten. We cannot resort, for the reasons stated above, to the registry to enable us to ascertain the actual state of our navigation at this period. And as the reports of the Treasury Department to Congress before the year 1829 did not furnish the details of vessels *built*, with the reduction, for loss, &c.; we are, therefore, deprived of the benefit of a computation from this source. We may, however, find a basis of calculation in the *employment* of our shipping. We therefore recur to this source of information for the state of our navigation between 1821 and 1830, with a purpose to place it beside details of the same character, relating to the period from 1831 to 1840.

This comparison is not made to induce an opinion that the shipping of the United States has not increased in amount during the last ten years. As we have before remarked, the stimulus which the policy of Government has communicated to all kinds of employment, during the greater portion of this term, has unquestionably been felt by the navigating interest, as it has been by every other department of business. Whether this increase has been productive of good to the country; whether, in fact, it has not proceeded from a most unwholesome artificial excitement of the spirit of adventure, and been the accompaniment of a ruinous excess of speculation, are questions to which the committee have already devoted some reflections. But the object of this comparison is to present the fact that our shipping interest, during the first ten years of moderate importation and regulated trade, was, at least, as fully and as prosperously employed as it has been during this latter term of excited action and expanded enterprise; that it suffered much less competition from the shipping of foreign nations than it has done since; and, although not increasing as rapidly as during the last period, yet that the increase was steady, sound, and correspondent with the capital and resource of the nation. The facts upon which this opinion is founded are embodied in the tables (Nos. III, IV, and V) which are appended to this report.

The first of these tables (No. III) shows the aggregate import and export of each year from 1821 to 1830, both inclusive, thus furnishing the total amount or value of cargoes. It shows the amount of American and

of foreign tonnage entering and departing, by which these cargoes have been borne. It also shows what portion of these cargoes were carried in American vessels, and what in foreign, thereby furnishing the means of computing the ratio in which each was employed. It exhibits, in like manner, the same details for the ten years comprehended between 1831 and 1840. The general deductions furnished from this statement are as follow :

1. The aggregate of imports from 1821 to 1830 was	-	\$796,600,000
Do. of exports (same period)	-	765,100,000

Giving as the total value of cargoes	-	-	\$1,562,700,000
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Of these cargoes about \$1,410,500,000 were carried in American vessels—which employed a tonnage of 17,500,000 of tons ; showing a ratio of about \$80,500,000 cargo to 1,000,000 of tons :

And about \$151,500,000 were carried in foreign vessels, which employed a tonnage of 2,200,000 of tons : giving a ratio of about \$68,000,000 of cargo to 1,000,000 of tons.

2. The aggregate of import from 1831 to 1840 was	-	\$1,301,000,000
Do. of exports (same period)	-	1,091,800,000

Total value of cargoes	-	-	-	\$2,392,800,000
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Of these cargoes about \$2,013,600,000 were carried in American vessels, which employed a tonnage of 25,000,000 of tons ; showing a ratio of about \$80,500,000 of cargo to 1,000,000 of tons :

And about \$379,200,000 were carried in foreign vessels, which employed a tonnage of 11,400,000 of tons : giving a ratio of about \$33,400,000 of cargo to 1,000,000 of tons.

Thus we see that the average employment of American shipping stood in the same ratio to the amount of cargo in the first term of ten years that it did in the last ; and that the aggregate employment of American tonnage had increased in the second term, over the first, from 17,500,000 to 25,000,000 of tons—somewhat less than 40 per cent. ; that the ratio of employment of foreign shipping was, in the first term, about 1,000,000 of tons for every \$68,000,000 of cargo, and in the second about 1,000,000 for every \$33,400,000 of cargo ; and that the aggregate of foreign tonnage had risen in the second above the first term from 2,200,000 of tons to 11,400,000—exceeding 500 per cent. Tables IV and V afford some further illustrations of the same facts.

We have thus furnished, from such official sources of information as have been within our reach, a general statistical view of the condition and employment of our shipping engaged in the foreign trade. We have shown the aggregate of American and foreign navigation employed at different periods ; the amount of imports and exports, constituting the cargoes borne by this shipping, at these periods ; the proportion in which this navigation has been distributed in our trade with the principal nations of the world ; the increase of our shipping in the foreign trade, as derived from the returns of the registry, and the more accurate returns of the vessels built in each year ; and we have compared these results at two different epochs in our commercial history.

Upon the whole, we derive from this review evidence of the following facts :

1. Of a great and increasing proportion of foreign tonnage in our trade.
2. That that increase has not, in any equal ratio, attended upon an increase of trade, but—especially in reference to the shipping of the north of Europe—has occurred where the trade has been nearly stationary.

3. That, in the excitement communicated to our commerce by the excessive increase of banking and paper money, the foreign shipping interest has profited even more than our own—partaking of the temporary gain of that system, without sharing in the final embarrassment which it brought upon the country.

4. That, our navigation in general has fared best in our commerce with those nations with whom we have not negotiated reciprocity treaties.

5. That the results have been most to our disadvantage where the reciprocal privilege has been established on the broadest scale.

It is an inquiry of great moment to investigate the causes of these facts.

The aim of our Government has been to establish reciprocity in trade. It seems to have been imagined that reciprocity consisted in equal privileges of importation and exportation in our own vessels and the vessels of the nation with which we established these relations; that the greater the scope given to these privileges of import and export, the nearer the approach to perfect reciprocity. And it seems, moreover, to have been deemed a matter of great interest to our commercial welfare that these regulations should not remain subject to the ordinary legislative power of our own and other countries, which might thus be at liberty to discard them upon any present inducement, but that it was greatly to our advantage to place them upon a treaty basis which should secure them against temporary changes or repeal. This would imply that in seeking such treaties we were fully persuaded the chief benefit to be derived from them would result to our own population, and that it was our policy, therefore, to secure these benefits on the most permanent arrangement.

It would appear to be but a reasonable conclusion that, in the commerce between any two nations, the vessels of each should have the privilege of carrying to the other the products of the nation to which they respectively belong, and of bringing back the products of that nation to which they trade. Without such a privilege the alternative would compel each nation, after carrying its own products to the other, to return in ballast. This privilege has been always conceded by the navigation laws of the United States, and generally by those of England.

It is not so clear a point of policy to establish that, in all cases of international commerce, the vessels of the two parties should be admitted into the ports of each, without discrimination in duties or charges; although, with respect to many friendly Powers, such a regulation would be open to no fair objection. But it may be affirmed that many circumstances may exist, and do in fact exist, to justify a very frequent exception to this privilege.

In the opinion of the committee, it is also a safe and useful restriction, in all cases where entry without discriminating duties is allowed to the vessels of a friendly nation, to confine that privilege, of exemption from discrimination, to the importations of cargoes *the growth, produce, or manufacture of the nation* from whence they are brought: and it is undoubtedly granting a very important boon to any nation, to allow it to employ its vessels in bringing, without qualification or discrimination as

to duties or other charges, into our ports the products of *any part of the world* with which such vessels may find it useful to trade.

Whenever it might become our policy, or comport with our interest, to establish commerce with any foreign country upon the concession of any or all of the above privileges, it is difficult to conceive a sufficient reason why these privileges should be secured upon the basis of a treaty, in preference to their establishment by legislation—the one being unalterable during the continuance of a treaty; the other being repealable at any period when the public interest might suggest the propriety of a repeal.

We have nevertheless concluded commercial treaties—generally stipulating for a continuance of ten or twelve years, with a provision for further duration until a year's notice be given—granting the broadest class of the privileges above defined, with almost every nation that was willing to meet us on these terms. As might be expected, these treaties have been accepted and ratified by such nations as, having small maritime territories of their own, or being able to build and navigate their vessels at less cost than ours, have seen their obvious advantage in the arrangement. Such, particularly, has been the case with the Powers of the north of Europe, including Russia, Prussia, Denmark, Sweden, the Hanse Towns, and the Netherlands. These treaties, on the other hand, have not been accepted by France and Spain; and, in the case of England, as well as some other Powers of less maritime resource, have been modified so as to restrain the privilege to narrower limits.

Our citizens have acquiesced, for nearly twenty years, in these arrangements, under the specious delusion that, as the system professed to be one of *reciprocal* advantage, we have gained by it reciprocal freedom of trade. The committee have already pointed out the fruits of this reciprocity.

In regard to England, we have shown that she engrosses nearly one-half of the whole trade of the United States; that she was the first Power that entered into what has been termed the reciprocity treaty with us; that that treaty, concluded in 1815, and still in force, contained two most important modifications: the first limiting the privilege to the products of the two nations respectively; the second excluding from the operation of the treaty the whole circle of her colonies and foreign possessions. We have shown that the British tonnage in our ports has increased from about one-sixth of our whole foreign tonnage to nearly one-half. We are aware that, notwithstanding these facts, there are many of our citizens who believe that we gain as much by the arrangement as our commercial rival; and that it is still our interest to persevere in maintaining the policy adopted in 1815, as a policy based upon those principles of free trade which have found so many earnest disciples in our own country, and so many zealous theoretical teachers in England.

We shall best understand the true value of this reciprocity, as established by our treaties, by recurring to the exemplification of it afforded us by England herself, and especially in the relations she has secured with our country.

The navigation laws of Great Britain, as they existed until the modifications which were introduced into them since the commencement of the present century, were constructed generally with a view to the following points:

First. The exclusive occupation of the fisheries and the coasting trade, which were rigidly secured to their own ships.

Second. To the engrossment of the largest attainable share of navigation in their commerce with the other States of Europe. The necessity of surrendering something to the shipping interest of other maritime Powers on that continent, wrung from the British policy, as developed in the navigation act of 1651, the reluctant concession of allowing each nation to bring *its own products* to England in its own ships. As some inconvenience was subsequently found to exist in procuring cargoes exclusively the product of the country from which they were imported, the privilege of importation into Great Britain was extended to the liberty to bring from any port in Europe *any commodity of European origin*, with the exception of an enumerated list of articles, amounting in all to twenty-eight, and constituting the mass of the most bulky merchandise ordinarily imported into England, and which, from their weight and volume, required the use of the greatest amount of shipping. These enumerated articles can only be imported in British ships, or ships of the country in which they are produced, or (according to the recent act of 3 and 4 William IV. c. 54) of the country from which they are imported, proceeding directly from such country to the ports of Great Britain. Upon this footing the British navigation system, as regards the European States, exists at the present time.

Third. To the monopoly of all navigation employed in their commerce with Asia, Africa, and America—the law forbidding any product of either of these three quarters of the globe to be brought into an English port except in an English ship.

Fourth. To a like monopoly, as against foreigners, of all trade and navigation directly with their colonies, and in the intercourse between the colonies themselves.

These principles have been relaxed to meet the exigencies of modern commerce in some important particulars. We have already noticed the modifications which have been made in reference to the European Powers. An early relaxation of the restrictions against American shipping was made in favor of the United States, by which our vessels were allowed to carry American produce directly to England; and in the years 1821, 1825, and 1833, further modifications were introduced, which have finally placed the navigation of Great Britain upon its present arrangement. The result is—

1. That the enumerated list of articles, as referred to above, constitute, in their trade with European nations, a resource of commerce in the carriage of which no vessels may participate but those of Great Britain, and of the countries of which they are the produce, or from which they are imported. These enumerated articles are masts, timber, boards, tar, tallow, hemp, flax, currants, raisins, figs, prunes, olive oil, corn, wine, brandy, tobacco, wool, shumac, madder, barilla, brimstone, oak bark, cork, oranges, lemons, linseed, rapeseed, and clover seed :

2. Certain enumerated commodities, the produce of Asia, Africa, or America, are allowed to be imported into the United Kingdom from particular specified ports of Europe :

3. The importation into the United Kingdom, of goods the produce of Asia, Africa, or America, with a view to consumption, is forbidden to all foreign vessels except those of the country where the goods are produced.

To this regulation a few exceptions occur, in reference to the products of certain portions of the Turkish dominions, also in regard to bullion, raw silk, and some other commodities :

4. No goods are allowed to be carried into any British colony or possession in Asia, Africa, or America, by foreign vessels, except those belonging to the country of which the goods are the produce : and

5. No goods may be carried from any British colony or possession to any other British colony or possession except in British vessels.

Upon these fundamental conditions the navigation of Great Britain is sustained ; and whatever treaty arrangements she has made, they have been rendered subordinate to these conditions. On this basis or groundwork are the relations between the United States and Great Britain established.

The treaty of 1815, as we have seen, provides for equal privileges of importation and exportation between the two countries—the imports and exports being confined to articles the growth, produce, or manufacture of each : and the treaty is not to operate between the United States and any part of the British possessions, *except the British territories in Europe*. Our intercourse with the colonies of Great Britain is regulated solely by law, and on principles adapted to what is affirmed to be the mutual interest of the parties.

Now, as regards the direct trade between the United States and Great Britain, there may be no great reason to complain of a want of reciprocity, in the privileges of navigation. That trade is adjusted upon the narrowest scale of concession ;—in fact conceding no more than our laws, ever since 1815, have tendered to all nations who may be willing to reciprocate with us. It is founded upon a mutual consent to receive the products of each party in its own vessels on equal terms in the ports of the other :—a stipulation merely against discriminating duties to the disadvantage of either party. The propriety of such a stipulation is but a question of experiment. If the navigation of either party should suffer by the arrangement, no just cause of complaint could arise against its repeal. That repeal, as a measure of policy, would be justified by a comparison between the injury resulting to the navigation on the one side, and that which might result to the commerce on the other. This release of discriminations has been applauded in England as highly favorable to the increase of British shipping in our ports. If it had proved otherwise, the treaty undoubtedly would have been terminated as soon as the parties were competent to put an end to it. It has, however, been sustained, under a full conviction that it has enured to the advantage of that Power. In confirmation of this opinion, we extract a few passages from a British periodical which has always been distinguished for the zeal with which it has opposed the relaxation of the ancient navigation laws of that country, and which presents the United States as the only exception to the impolicy of the reciprocity system. We allude to an article upon this question in *Blackwood's Magazine* for September, 1838.

“There is one country”—says the writer of that article—“with whom, under the reciprocity system, commenced in 1816, that system has been attended with remarkable advantages, and that is the United States of North America. The example of the effect of this system with that country is frequently referred to, by the reciprocity partisans, as the

strongest proof of the justice of their principles; but in reality it is the strongest confirmation of those which we are now supporting.

"The following table exhibits the progress of foreign trade between Great Britain and the United States, both in British and American bottoms, from the year 1822 to 1836.

INWARDS.

Years.	British.				Foreign.		
	U. S.	Ships.	Tons.	Men.	Ships.	Tons.	Men.
1822	-	138	37,385	1,770	500	156,054	6,866
1823	-	237	63,606	2,998	509	165,699	7,121
1824	-	157	44,994	3,166	460	153,475	6,451
1825	-	138	38,943	1,843	599	196,863	8,487
1826	-	158	47,711	2,245	448	151,765	6,595
1827	-	238	73,204	3,424	646	217,535	9,447
1828	-	256	80,158	3,646	372	138,174	6,049
1829	-	192	61,343	2,773	450	162,327	7,052
1830	-	197	65,130	2,948	609	214,166	9,185
1831	-	289	91,787	4,204	639	229,869	9,807
1832	-	284	95,203	4,251	52	167,359	7,161
1836	-	226	86,383	3,575	524	226,483	7,799

"Thus, under the reciprocity system with that country, the trade has increased between 1822 and 1836 from 138 ships to 226, while the American has increased only from 500 to 524. And the British tonnage swelled from 37,385 tons to 86,383, while the American tonnage has increased only from 156,054 to 226,483.

"This result, however, so far from being a proof that the reciprocity system, in its application to the trade of Great Britain with the old States of the world, is founded on just principles, demonstrates diametrically the reverse. The reciprocity system has proved of advantage to the British shipping in the intercourse with America, because labor and all the articles employed in the building of ships are so much dearer in America than in Great Britain, that the British ship owners can carry on the trade at a cheaper rate than the American, and therefore, under an equal system of duties, the British shipping has gained the advantage. There cannot be a doubt of the expediency of that system in its application to countries where ship-building and navigation are more expensive than they are in this, and therefore Mr. Huskisson acted perfectly wisely in concluding a treaty with America on such terms. But the real point of doubt is not whether such a system is expedient with countries where ship-building is *dearer*, but whether it is expedient with countries where ship-building is *cheaper* than in Great Britain. And with reference to that

point, it is clear that the fact that the reciprocity system has worked to the prejudice of America, which builds ships dearer than England, is founded exactly upon the same principle in proving that it is prejudicial to England, in her intercourse with the Baltic Powers, where it is cheaper."

From this statement of the question and the facts to which it refers, it is very evident that the treaty made by Great Britain with the United States has entirely gratified the expectations of its advocates on the other side of the Atlantic. It is equally clear that it could not produce a beneficial operation upon the navigation of both parties. What one gained must, from the nature of the case, be the loss of the other. We have shown from abundant sources that the loss has been upon our side. Indeed, it is impossible to study the history of British navigation in the legislation and diplomacy of that nation, without being struck by the astute and sagacious foresight with which her policy has protected this great interest. She maintains no relations with any other State but those which she is convinced shall, in the main, extend and strengthen her navigation. In the examination of Dr. Bowring before the select committee of the House of Commons, appointed in 1840, to inquire into the effect of the import duties of that kingdom, that witness expressed the conviction of his own Government and disclosed the true motives of her conduct when he said, "I believe, inasmuch as the commercial relations of England are greater than those of any other country, that England is always the country that is the recipient of the greatest portion of the prosperity of other nations:" that "every commercial relation entered into between England and every other part of the world is likely to be more profitable to England than to any other country."—See report of the select committee of the House of Commons, May 5, 1840, p. 15.

The inducement to the reciprocal arrangements to which we have referred, being truly stated to be founded on the comparative *cheapness* of British navigation, these arrangements are only maintained by Great Britain from a settled persuasion that she enjoys this advantage over the countries with which she treats. We quote from Mr. McCulloch, in support of this opinion, a piece of evidence furnished by him to maintain the same point. The examination of Mr. Edward Solly, before a committee of the House of Lords, in 1820, is referred to by the above-mentioned writer "as conclusive" on this question. "I was," said the witness, "formerly a considerable owner of Prussian ships, and therefore I had a good deal of experience in Prussian shipping, and I can safely say that Prussian ships cannot compete with English ships in time of peace. The English ships are navigated cheaper than Prussian ships. The Prussian vessels are more heavily masted and rigged, and require a greater complement of men, whilst the English ship is manned mostly by apprentices. The English ships require less ballast; the economy of shipping is better understood and practised in them; there is greater activity of the captain and crew; they are insured in clubs at the average rate of 5 per cent., while the Prussian ships cannot get the same insurance done for 12; and as to the outfit, the provisions and other necessaries for the ship, both parties have their choice where they will lay in their stock, whether in a Prussian or an English port. If provisions are cheap in the Prussian port, the English captain lays in his stock of provisions there. Generally, I am of opinion that British ships can sail cheaper than those of any other nation."

So far, therefore, as regards the direct intercourse between England and the United States, the committee are convinced that the advantage in the compact has gone to our rival. Still it is not the purpose of the committee to infer that a better state of things would result for our navigation if the privileges of the treaty were mutually denied. Such a privation might lead to an unprofitable war of restrictions, and, in the end, merely injure the trade of both. The committee, however, present these facts to disabuse the public mind of an impression that the reciprocity system founded on treaty has, under any circumstances, produced a positive benefit to this country. They wish to show that, in its best condition, it is but an arrangement recommended to the adoption of foreign nations by its value to *them*; and, in our submission to which, we can find no better argument than that, perhaps, its abrogation might bring upon us a greater evil. In this point of view we can see no good reason for the perpetuation of the system by permanent treaties, and would much prefer, if it is to be continued, that it should be placed upon the footing of temporary stipulation or occasional legislation.

Whilst we are allured by the term of "reciprocal privilege," and our commercial rivals are attempting to persuade us that these arrangements are founded upon a mutual interchange of good, we cannot close our minds to the perception that the benefit is but the illusion of a name, and that the good is all upon one side. At the very moment that we are indulging in the fancy of this reciprocation of liberal principles in the accommodation of our trade, we find either an onerous embarrassing duty upon, or a stern and rigid exclusion from British ports of every American product, except one which the necessities of that nation have rendered indispensable to her prosperity. Whilst studied panegyrics and elaborate recommendations of the doctrines of free trade are addressed to our minds in every form in which British opinion can reach us, we look in vain at every point of contact in which our interests are brought into opposition to England's, for the slightest concession to that lauded principle which is pronounced to be the glory of the present age.

The treaty of 1815 excludes the colonies. The empire of Great Britain covers a large portion of every quarter of the globe. It is a vast nation intersected by seas and oceans. Its products embrace every conceivable thing that is grown, wrought, or taken in any part of the world—from the fisheries of the arctic circle to the fruits of the tropics. There is no object of manufacture or mechanical skill, no wealth of the mines, no fruit of the earth, no treasure of the sea, that does not furnish occupation and gain to some portion of her subjects. The necessary intercommunication between the several parts of this great empire furnishes support to the largest amount of shipping in the world. Confining her commerce and navigation to her own field, Great Britain has scope enough for all requisite encouragement and protection to her shipping. This intercommunication is reserved exclusively to herself. It is placed by her laws, in effect, as regards other nations, upon the same footing as her coasting trade.

The United States occupy a very peculiar relation to this Power. Upon our northern and northeastern border the British dominions lie contiguous to our territory for more than two thousand miles. Upon the south, her islands form almost the first land seen by the voyager as he approaches this continent. The great path of our trade is intercepted on the north and on the south by her colonies. The shortest voyage we can make to

northern Europe brings us almost in sight of Nova Scotia ; the shortest to southern Europe, Africa, Asia, and South America, passes along the shores of her West Indies. All these portions of her empire she has excluded from the reciprocity system. It is true, she has given us liberty to trade directly to and from any one of her colonies ; but that is the extent of the privilege. Even that is modified by a designation of ports at which we may enter. She, of course, has the right to regulate the duties by which our products may be introduced into her colonies, and the right, also, to establish the commercial regulations between her several colonies. These functions have been exercised by her with an adroit skill, to increase her navigation by the carriage of our products. Most of the bulky articles produced in the United States are introduced into her northern American colonies at low duties, and from thence are carried to the West Indies in British ships at duties equally low or altogether free, whilst the direct trade in the same articles, from the United States to the West Indies, is cumbered with duties altogether incapable of competition with the circuitous trade.

Since the application of steam to the navigation of the Atlantic has been so successfully brought into practice, great changes have occurred in the course of trade. These changes are likely to result in a totally new condition of the commercial interest of this country, requiring the adoption of new measures in our policy. The shortest line of communication between the American and European continents, as we have already intimated, touches Nova Scotia and England. A passage of twelve days from land to land is not unusual. From Nova Scotia to the United States is but another day. Our present relations with Great Britain secure this communication entirely to her shipping. No American citizen can enter into the competition with her subjects. The voyage from Liverpool to Halifax, from Halifax to Boston or New York, and the same reversed from Boston or New York back to Halifax, and thence to England, presents four terms or sections—two long ones across the Atlantic ; two short ones between our ports and Halifax. By the existing regulations, English shipping may occupy all four of these sections ; the American but two, and these the short ones. So, in a circuitous voyage from England to Halifax, thence along our coast to the British West Indies, and thence back to England, the American shipping is confined to the short sections of this circuit ; the English has the privilege of the whole. If, pursuing the policy which she has already begun, Great Britain should so regulate her duties upon the circuit we have described, she may readily transfer the greater portion of the carriage of our most bulky commodities of export to Europe to her own vessels. It is only to establish, as she has already done, in any of her near colonies an entrepot for American products at low duties, and to encumber the same articles, borne directly from the United States to England, with high duties, and she will have accomplished a complete monopoly of this trade.

In seeking for reciprocity in our relations with this Government, it would seem to the committee to be a cardinal point to place this colonial commerce upon a footing altogether more just to our claims than it at present occupies ; and that we are entitled to demand of a friendly Power, with which we stand under so many affinities of commerce and good will as we do with Great Britain, that we should either be allowed to participate with her in the carriage of *our own* commodities from and to any

part of her dominions, or that regulations should be adopted which shall prevent her from monopolizing that carriage to herself. In asking this, we adopt her own principle of commerce, and fortify it by the same arguments which have prevailed in the adjustment of her own policy. A conspicuous example of her tenacity for this principle, in an analogous case, is furnished from her own history.

By the navigation laws of England, even a British ship was forbidden to import the products of Asia, Africa, or America, *except from the country where they were produced*. This prohibition was made with a view to prevent other nations from establishing entrepots of foreign merchandise in the neighborhood of England, by which the vessels of foreign nations might have secured to themselves the benefits of the long voyage, and left to England only the short voyage from the entrepot to her own ports. It was a device to employ her own navigation on the longest lines of commerce.

This interdict was found eventually to produce great embarrassment to British merchants in foreign ports. They could not, in America, Asia, or Africa, make up a cargo of commodities of various origin—being confined to the productions of the country. The result of this complaint was a repeal of this provision. “Lord Wallace,” says Mr. McCulloh, in noticing this act, “originally intended to extend this principle to European ports, or to make it lawful for British ships to import all nonprohibited articles from wherever they might find them. But it was supposed by some that foreign ships might be more cheaply navigated than ours, and that foreigners, taking advantage of this circumstance, would import the Asiatic, African, and American products required for our consumption into the contiguous continental ports, and would consequently restrict the employment of British ships to their carriage thence. We believe that these apprehensions were, in a great measure, visionary. But the law is so contrived as to avoid even the possibility of danger on this head; such of the products of Asia, Africa, and America as are required for home consumption, being, with trifling exception, inadmissible from Europe, and only admissible when they are imported in British ships, or in ships of the country or place of which the goods are the produce and from which they are brought. The only exceptions to this rule are articles from Asiatic and African Turkey, imported from the Levant, and bullion.”

We are placed in something of the same category noticed in this extract, by the British colonial system; and it has already grown to be a source of discontent and irritation in the intercourse of the two nations.

It is not the design of the committee to present an examination in detail of the many questions growing out of the colonial system of Great Britain, which have produced the memorials and other expressions of public opinion in reference to that system, now placed before the committee. They are relieved from the necessity of such an exposition by the very full and satisfactory report upon this subject from the Committee on Foreign Relations, which is now before the House. They will, however, take occasion to say that, in view of the great defect of reciprocity in the regulations between the two Governments, and of the injurious operation of the present system upon our navigation, they are of opinion that it is better, even at once, to throw this intercourse back to the condition in which it was held previous to the year 1830, than to preserve it on the grounds it now occupies. It could not be worse for us; and it would then, at least, present an equality of relations which we can as well sustain as our rival.

The committee have, in accordance with this view, prepared a bill for the establishment of reciprocal commerce with the British colonies, framed on the principles of the act approved on the 1st of March, 1823, which they submit with this report.

It is apparent, from an inspection of the official documents relating to our commerce with the British colonies, that an increase of British tonnage, greatly disproportioned to our own, has grown up both upon the lakes and upon the Atlantic. Some have attempted to account for this disproportion upon the supposition that the British increase is merely nominal, and is to be ascribed to the greater activity of British shipping in the short voyages between the United States and the colonial ports upon our borders. It is said, also, that, on the lakes, the British employ twenty-five steamboats, where we have but five, and that there are more small vessels sailing under the British flag than under our own. These facts constitute the evidence of the justice of our complaint, and demonstrate conclusively that the present arrangements operate much more favorably for the navigation of our neighbors than for our own. It is one of the most striking incidents that have followed the settlement of this colonial question in 1830, that an enormous trade has grown up, in American produce, to these colonies; that vast quantities of flour, grain, provisions, and other commodities, are continually shipped from our border ports into Canada, to be borne thence, in British vessels, either to England or other British possessions—thus transferring the carriage of our produce to British ships, without the possibility of competition or interference from us. This produce goes into Canada, either free or at low rates of duty, and is shipped thence to the West Indies free; whilst, if borne directly in our vessels, it would be cumbered with a heavy duty. We have no accurate statistics of our exports on the lakes, but it is well known that not much less than three millions of bushels of wheat have been exported in one year to Kingston alone, whence it is shipped, by the St. Lawrence, to the West Indies, to England, and other places. Flour commands scarcely a smaller price at Detroit than it does at New York, and the St. Lawrence is daily increasing in importance as the great channel of the trade of a large portion of the territory of the United States—a trade under Anglo-American control, and maintained to the advancement of British navigation and the injury of ours.

The existence of such a trade under such circumstances is a remarkable commentary upon the want of sagacity and foresight in the administration of our commercial concerns, and makes a powerful appeal to the consideration of Congress. The navigation returns of 1840 show, that in the four ports on Lake Ontario of Sackett's Harbor, Genesee, Oswego and Niagara, this trade furnished employment for 166,986 tons of British shipping, and but 45,410 tons of American: that the British tonnage entered in the same year at Detroit was 12,310 tons; whilst the American did not exceed 593 tons. We have no record furnished us in our official tables of the navigation of Cleveland, Buffalo, and other ports of importance—an omission which ought henceforth to be corrected: they doubtless would show the same inequalities.

We have further proof of the great activity and value of this trade to the British possessions, in the vast and rapid increase it has given to the tolls on the Welland canal, which have risen, as the committee are informed, from £12,000 to £50,000 sterling per annum. This canal has

been purchased by the Government and enlarged in capacity to enable it the more freely to vent the great trade which has been pressed upon it from the United States. The enterprise of our country is thus made subsidiary to the wealth, revenues, and navigation of the British colonies, and in the same degree prejudicial to our own, through the policy of our Government.

The existing arrangement has designated certain ports in the British northern colonies, as well as in the West Indies, into which only our shipping is allowed to enter; whilst, on the British side, their vessels enter not only any port in the United States, but also sail from ports in their own dominions which are forbidden to us. The allowance of such a discrimination in the arrangement cannot but work, as it has done, to the disadvantage of our shipping, by enabling British vessels to monopolize such commerce as is confined to the locality of the forbidden ports. This is particularly the case in reference to the article of plaster of paris, grindstones, and some other commodities, which, being laden at the quarries on the Bay of Fundy, are brought to the United States in British bottoms, whilst the American vessels, not being allowed to enter the ports where these commodities are found, have been obliged to abandon the trade to their rivals as beyond the pale of competition. The effect of these regulations will be seen in the following statement of tonnage entering the United States in the commerce with the British American colonies:

		Tons.
1830—American tonnage entered	-	130,527
British	-	4,002
1831—American	-	92,672
British	-	82,557
1832—American	-	74,001
British	-	108,671
1833—American	-	209,958
British	-	208,054
1834—American	-	173,278
British	-	289,984
1835—American	-	263,852
British	-	387,250
1836—American	-	278,650
British	-	377,523
1837—American	-	286,670
British	-	488,996
1838—American	-	266,220
British	-	370,397
1839—American	-	384,121
British	-	332,097
1840—American	-	373,149
British	-	387,947

The existing arrangement went into operation in 1830, and this exposition is particularly worthy of observation to show the increase of British tonnage from that date.

From these facts, the committee feel justified in assuming the position, that in order to establish a just and actual reciprocity in the employment of the *navigation* of the two countries—throwing out of view every ques-

tion relating to reciprocity in *trade* with Great Britain, in regard to which the most striking and oppressive inequalities exist, as we have already intimated—it is essential—

First. That all the ports of the British American colonies should be open to the admission of American vessels on the same terms that British vessels are admitted into our ports; and

Second. That American vessels shall have the privilege of carrying freely from the British colonies to the mother country, to all other British colonies, and to all foreign countries, all commodities of the same class or description as those which are ordinarily imported by the British colonies from the United States, on the same terms that British vessels may carry them.

These conditions are no more than are now substantially permitted by our laws to British vessels; and it is quite obvious to the committee that there can be no fair reciprocation without the allowance of them to our trade. The arrangement for such a privilege might be easily made by the designation of a list of articles, of the class of those the growth, produce, or manufacture of the United States, which are usually imported into Canada, New Brunswick, Nova Scotia, and other British provinces; which list should form the staple of a carrying trade open to vessels of the United States.

Passing from the illustrations of the reciprocity system with England, we proceed to examine those with other nations.

The reciprocity with England we have shown is of a limited kind—confined to articles the growth, produce, or manufacture of the contracting parties. The treaties with most of the other European Powers are on the broadest scale of privilege. They grant to the parties the liberty of importing into each other's ports, all kinds of produce, from any quarter of the world, regardless of the origin of the commodity and of the place whence imported, in the vessels of each.

This privilege far transcends that conferred by the British reciprocity treaties with the same Powers, from which the policy, and in great part the language of our treaties have been borrowed. In the British treaty with Prussia in 1824, and with the other northern Powers of Europe which are copied from it, the privilege of importation of articles not the growth, produce, or manufacture of the countries of the respective parties, is qualified by the further condition that they shall be such articles as "can be legally imported" into the ports of either. This qualification has a reference to "the enumerated articles" defined in the British navigation laws to which we have heretofore alluded, and which, by those laws, cannot be legally imported into Great Britain except in British ships, or ships of the country of which they are the products, or of the country from which they are imported.

In our reciprocity treaties with the same Powers we have no such reservation. There is no class of "enumerated articles" known to our system of navigation. The privilege, therefore, conferred by our treaties, comprehends almost every article of commerce, and extends to almost every part of the world. In fact, we have accorded to these Powers, so far as navigation is concerned, unlimited free trade.

The practical operation of these concessions we have already shown. They have filled our harbors with foreign flags, and have condemned the American ship owner to become a quiet and passive spectator of the

workings of a policy which is transferring his business and its emoluments in his own port and under the encouragement of his own Government, to foreigners: transferring them without an equivalent in the increase of commerce or any perceptible good of any kind. They are assailing the prosperity of our mechanics and workmen employed in the building and fitting out of ships, by introducing large amounts of foreign built tonnage into our trade, and in the same proportion discouraging and oppressing that most valuable branch of our industry. They are checking the growth of our marine, by supplanting the American sailor and substituting the foreign seaman in his place to conduct American commerce. In short, they are rapidly and conspicuously countervailing and overthrowing the most cherished fundamental principles upon which, for more than half a century, we have been endeavoring to build up a commercial maritime power.

All that has been said by the British writers we have before quoted, in reference to the impolicy of a reciprocity treaty with a country that is able to build and navigate ships *cheaper* than another, applies with peculiar force to the case presented by our Government in the treaties we refer to.

The Powers with which we have concluded these treaties—we speak especially of those of the north of Europe—are well known both to build and navigate their vessels cheaper than we can do. It is not affirming too much to say that the material employed in ship building is to be procured in the Baltic States at rates of cost much below that for which they can be obtained in the United States; that the wages of labor employed in this occupation are, in these countries, at least one-half less than ours; and that those paid to seamen and all others concerned in the navigation of their ships may be placed at an average of $33\frac{1}{2}$ per cent. less than are usually paid in the United States; whilst all the expenses of victualling and providing for these vessels are quite as cheap if not cheaper than are incurred by our ship owners. We do not furnish examples of these several items of cost and expense, only because the fact we have stated is notorious and has been so often brought to the view of the country as to render it unnecessary.

Yet with these Powers we persuade ourselves that our treaties have placed our commerce upon a reciprocal footing. To say nothing of the high, and even prohibitory, duties which, in several of these States, are brought by their tariffs into contrast with our low duties, we have consented to open the trade of our whole country of seventeen millions of people to the subjects of these Powers in exchange for the privilege of a trade which, on their side, is confined to the supply of the wants of a much smaller circle of population, and, in reference to some of them, to some few ports whose commerce, in comparison with ours, is certainly limited, if not to an inconsiderable, at least, to a very inferior amount of demand. It was going far in the way of concession, to grant the privilege of *direct* transportation to the produce of the respective countries with whom these treaties are formed. But it is scarcely conceivable what adequate motives of good policy could have presented themselves to our Government to justify the opening of our entire trade with all the world to the vessels of these Powers,—endowed as they are with such capacities for cheap navigation,—and to admit their ships and seamen into a free competition with our own, in whatever trade their merchants might think proper

to embark. This we have nevertheless done; and the consequence is that Congress is receiving from all quarters deep complaints of the injury we have inflicted upon our own navigation—an injury which is now in rapid progress of mischief, and which, if not arrested by timely legislation, must result in laying up our own shipping to rot at our docks, and in the surrender of our carrying trade to the friendly rivals whom our policy has done so much to favor. Our ship owners, before they may find employment for their vessels, are obliged to wait in their own ports, until the Swedish, Danish or Hanseatic shipping have taken off as much freight as they can carry,—or to adopt the alternative of reducing their compensation to the standard fixed by their competitors, though at the sacrifice of all fair profit. This is the great offering which we have made to the genius of free trade—an offering which finds so much approval on the other side of the Atlantic; and which, we may venture to assert, will be recommended to our continued favor as both a liberal and wise abandonment of ancient error, by every political economist of Europe who takes an interest in the success of that newly discovered theory of reciprocity which throws the blessings of free trade upon Europe and its burdens upon America.

The committee think it time that the attention of the country was awakened to the importance of a change in this policy. We have made the experiment and it has failed. It only remains for us to retrace our steps. With a view to such an action the committee present, for the adoption of the House, a resolution requesting the President, whenever in his judgment it shall be proper, to give the prescribed notice for the termination of such of our reciprocity treaties with European nations as have extended the reciprocal privilege of trade beyond the limits of articles “the growth, produce, or manufacture” of the respective countries; and also to make known the desire of this Government hereafter to arrange its foreign trade upon principles of reciprocity which shall not extend beyond the allowance of equal duties to the direct importation of the products of the contracting parties; with the further condition that such arrangement shall be either the subject of occasional legislation, or, if of treaty stipulation, that it shall be upon such terms only as may admit of its repeal at any time upon twelve months’ notice.

Notwithstanding the disadvantages which may result from an engagement to forego, in any case, the right of imposing discriminating duties upon foreign navigation, the committee conceive that a limited exemption of the vessels of friendly Powers, upon a reciprocal footing, as but a just concession to that liberal spirit of accommodation which ought to characterize the commerce of the world: but they think also that that concession is extended as far as it ought to go, when it embraces the direct trade between the parties, in their respective products.

The notice suggested by the resolution, would affect, at the expiration of twelve months from its date, the treaties at present existing with Denmark, Sweden, the Hanseatic republic, Prussia, Austria and Russia—the treaties with these Powers having already extended beyond their original limitation, and being subject to be discontinued upon one year’s notice. The remaining treaties in which the reciprocity principle is adopted on the broadest scale, may be made the subject of consideration as the term of their duration approaches. The few treaties of this character which we have entered into with the South American States,—Brazil

and Venezuela—have produced no inconvenience, and may therefore be left upon their present basis.

In the recommendation of this resolution, it is not the purpose of the committee to express any complaint or objection against the treaties referred to, on any other point than that which concerns the reciprocal privileges to which we have adverted. Whatever other provisions in these treaties may have been found necessary to the due regulation of our commercial intercourse with these Powers may be renewed in future negotiations.

The act of the 3d of March, 1815, presenting the terms upon which this Government is willing to relax its discriminations against foreign shipping, is still in force. There is no desire to repeal it. The continuance of this act will be regarded as an indication of the extent to which the United States are willing to go in the application of the principle of reciprocity. The subject being, at all times, within the control of Congress, will enable us, at once, to correct any injurious effect which might result in any particular case to the detriment of our commerce or shipping.

The committee, in completing this review of the navigation of the country, have but little to remark upon that engaged in the coasting trade. The prosperity of this, the most valuable branch of our marine, is in a great measure secure against those influences which are likely to injure the shipping employed in foreign commerce. We have guarded it against all competition from abroad. It is solely dependent for its success upon the vigor and enterprise of our domestic industry. The exchange of our continually multiplying domestic products between the different States of the Union, and the rapid intercourse engendered by these increasing sources and supplies of internal commerce amongst ourselves, have been steadily adding to our coasting vessels and steamboats;—the increase of which, even under the most depressing conditions of our foreign commerce, is a gratifying evidence of the capacity of the country to maintain a great trade independent of the whole world, and would seem to point out, with peculiar distinction, the value and the necessity of fostering those employments which shall sustain the wealth and power of the nation in the face of all foreign hostility.

A tabular statement of the increase of our coasting tonnage, composed from the same elements as that which we have presented in reference to our tonnage engaged in the foreign trade, will furnish, at a glance, the evidence of the condition of this portion of our shipping. The list of enrolments and licenses, heretofore given in table No. II, though liable to the objections we have stated, will also lend some aid in forming an opinion on the subject.

Statement showing the number of enrolled and licensed vessels built in the United States; also the number lost or condemned, and the balance of increase in each year.

	Quantity built.	Lost or condemned.	Actual increase
	Tons.	Tons.	Tons.
Year ending December 31, 1830	36,841	7,551	29,289
1831	40,241	7,932	32,308
1832	71,556	7,664	63,891
1833	88,647	5,951	82,694
1834	65,707	4,824	60,882
From September 30, 1835, to			
September 30, 1836	66,982	5,619	61,361
1837	80,643	9,163	71,478
1838	71,275	6,208	65,067
1839	65,922	7,729	58,193
1840	62,187	13,174	49,012

Before leaving this question of the navigation of the United States, the committee desire, in the briefest manner, to advert to a subject referred to their consideration, and to present their conclusions upon it. They allude to the resolution respecting the propriety of altering the present mode of measuring and computing the tonnage of our vessels.*

That method is prescribed by the 3d section of the act, entitled "An act for registering and clearing vessels, regulating the coasting trade, and for other purposes," approved on the 1st of September, 1789.

Great and serious complaints have been made against this method of measurement, founded upon what seems to be a well sustained opinion, that it has exercised a very prejudicial effect upon the structure and strength of our vessels. The collecting, in foreign ports, as well as our own, of a duty, estimated by the tonnage of the vessels, has rendered it an object of economy in the construction of ships and other vessels, to obtain the largest capacity of hold in a manner that shall afford the smallest amount of nominal tonnage under the rule of measurement as established. The consequence of this, it is affirmed, has been to encourage the adoption of models, which, in producing the desired result, have led to a sacrifice both of strength and speed in the vessel.

Until very recently the mode of admeasuring tonnage in England was substantially the same as that established by our act of 1789. The same complaints against that mode, which have been made in this country, have also been made in England, and the consequence has been a change in the method of ascertaining the tonnage, by substituting one which furnishes a result much nearer to the actual capacity of the vessel, and which is not liable to be evaded by changes of structure. This improvement of the method of measurement was established by act of Parliament, 5 and 6 William IV., chap. 56.

The committee, without further comment or explanation, beg leave to

* The committee refer to the resolution of Mr. AYCRIGG, suggesting an inquiry into the propriety of altering the mode of admeasuring the tonnage of vessels.

refer the House to a letter addressed by Mr. Foster Rhodes, a naval constructor of great experience, now in the service of the Government, to the Secretary of the Treasury, upon this subject, and which they have appended to this report. That letter, in the opinion of the committee, contains all that is necessary for a proper appreciation of the changes suggested. In accordance with the views there expressed, the committee submit a bill.

The committee have thus disposed of the principal topics which have been referred to their examination, connected with the commerce and navigation of the country.

The policy of meeting the restrictions imposed by foreign nations upon our products by countervailing duties, is a subject which has been submitted to the Committee on Manufactures, and is embraced in their report. The great injustice which has been done to the United States in the commercial systems adopted by countries with whom we have manifested a desire to maintain the most friendly intercourse, and to whom we have tendered the most liberal relations, has been a theme of long and earnest remonstrance on the part of our citizens. The excessive duties levied upon our tobacco, and almost every other product of our soil, by England; the severe restrictions imposed upon our tobacco by France, and the refusal by other Powers to receive our products, except on terms of great disadvantage to our producers, have ever been met, on our side, by what may be called, in comparison, an exceedingly moderate scale of imposts upon every commodity which enters into our trade from these nations. We have labored to represent the feeling of this country upon the subject, both through our regular diplomatic representatives and through special agencies and missions charged with the duty of bringing these questions to the attention of the proper authorities to whom they were addressed. So far these efforts have met with no success. It cannot justly be made a topic of complaint if, after this long delay and frequent remonstrance, we should at last resort to such retaliatory measures as may place us upon the footing which our transatlantic rivals have themselves assumed as the basis of their commercial intercourse with us. There would be neither apparent nor real harshness in the procedure if we should place duties of twenty, fifty, or a hundred per cent. upon the products of those nations which do not hesitate to encumber ours with four, five, six hundred, and even more than a thousand per cent. We should prefer to avoid this course towards nations whom, from every consideration of respect and common interest, we are glad to recognise as friendly Powers; but the policy they have chosen to pursue towards us scarcely leaves us an alternative. The committee therefore concur with the suggestions which have been made by the Committee on Manufactures on this subject.

A report has already been made by the committee on the inland drawback question, which renders a further consideration of it unnecessary. They will report a bill adapted generally to meet the views of the petitioners in the cases that have been submitted in the several memorials upon this subject.

In conclusion, the committee present with this report, in conformity with the various suggestions which it contains—

A joint resolution requesting the President, at such time as he shall deem advisable, to give the proper notice for terminating such treaties with

European Powers as have established the privilege of importing on equal terms other articles than those the produce of the countries in whose vessels the importations are made ;

A bill to establish reciprocity in the commercial regulations of the United States in their intercourse with certain British colonial ports ; and

A bill to alter the mode of admeasuring the tonnage of ships and other vessels.

APPENDIX.

No. I.

Statement showing the total amount of imports and exports, the aggregate tonnage, domestic and foreign, entered into the United States and cleared therefrom, and the portions thereof belonging to the several countries therein designated, in each year, from 1830 to 1840, both inclusive :

1830. Total import of the United States	-	-	\$70,876,920
" " export	-	-	73,849,508

American tonnage entered	-	-	-	967,227 tons.
Foreign " "	-	-	-	131,900

Total entered - 1,099,127

American tonnage cleared	-	-	-	971,760 tons.
Foreign " "	-	-	-	133,436

Total cleared - 1,105,196

Amongst the foreign tonnage were—

	Entered.		Cleared.
Of British	87,231 tons.	-	87,823 tons.
French	11,256	-	11,331
Spanish	12,299	-	11,629
Hanseatic	9,653	-	9,006
Dutch	630	-	1,130
Swedish	4,136	-	3,979
Danish	1,234	-	1,218
Russian	264	-	264
Prussian	287	-	287
Austrian	—	-	171
Mexican	2,718	-	2,997

1831. Total import of the United States	-	-	\$103,191,124
" " export	-	-	81,310,583

American tonnage entered	-	-	-	922,952 tons.
Foreign " "	-	-	-	281,948

Total entered - 1,204,900

American tonnage cleared	-	-	-	-	972,504 tons.
Foreign " "	-	-	-	-	271,994
Total cleared					<u>- 1,244,498</u>

Amongst the foreign tonnage were—

		Entered.		Cleared.	
Of British	-	215,887 tons.	-	211,270 tons.	
French	-	11,701	-	7,165	
Spanish	-	19,618	-	19,072	
Hanseatic	-	11,176	-	12,319	
Dutch	-	1,022	-	1,913	
Swedish	-	3,653	-	2,821	
Danish	-	6,250	-	4,971	
Russian	-	577	-	577	
Prussian	-	312	-	312	
Austrian	-	—	-	—	
Mexican	-	10,037	-	9,850	
1832. Total import of the United States		-	-	\$101,029,266	
“ “ export		“	-	87,176,943	
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American tonnage entered		-	-	949,622 tons.	
Foreign “ “		-	-	593,038	

Total entered - 1,342,660

American tonnage cleared	-	-	-	974,865
Foreign " "	-	-	-	387,505

Total cleared - 1,362,370

Amongst the foreign tonnage were—

	Entered.		Cleared.
Of British	288,841 tons.	-	284,886 tons.
French	22,638	-	23,257
Spanish	26,942	-	29,066
Hanseatic	22,351	-	19,540
Dutch	2,860	-	4,369
Swedish	9,784	-	8,468
Danish	6,146	-	5,162
Russian	1,592	-	1,592
Prussian	—	-	—
Austrian	1,373	-	1,273
Mexican	7,595	-	7,207
1833. Total import of the United States	-	-	\$108,118,311
" " export	-	-	<u>90,140,433</u>

American tonnage entered	-	-	-	1,111,441 tons.
Foreign " "	-	-	-	496,705

Total entered - 1,608,146

American tonnage cleared	-	-	-	-	1,142,160 tons.
Foreign " "	-	-	-	-	497,039
Total cleared					<u>1,639,199</u>

Amongst the foreign tonnage were—

	Entered.			Cleared.	
Of British	-	-	383,487 tons.	-	377,250 tons.
French	-	-	20,917	-	25,620
Spanish	-	-	33,560	-	33,067
Hanseatic	-	-	29,285	-	27,208
Dutch	-	-	1,309	-	6,519
Swedish	-	-	12,169	-	11,947
Danish	-	-	4,669	-	4,310
Russian	-	-	1,591	-	841
Prussian	-	-	574	-	1,084
Austrian	-	-	2,013	-	1,701
Mexican	-	-	3,976	-	3,359
1834. Total import of the United States	-	-	-	-	\$126,521,332
" " export	-	-	-	-	<u>104,336,973</u>

American tonnage entered	-	-	-	-	1,074,670 tons.
Foreign " "	-	-	-	-	568,052

Total entered - 1,642,722

American tonnage cleared	-	-	-	-	1,134,220
Foreign " "	-	-	-	-	577,700

Total cleared - 1,711,920

Amongst the foreign tonnage were—

	Entered.			Cleared.	
Of British	-	-	453,495 tons.	-	458,067 tons.
French	-	-	23,649	-	24,537
Spanish	-	-	32,056	-	37,804
Hanseatic	-	-	25,265	-	24,513
Dutch	-	-	2,011	-	2,599
Swedish	-	-	13,392	-	14,954
Danish	-	-	5,788	-	5,058
Russian	-	-	749	-	962
Prussian	-	-	934	-	1,071
Austrian	-	-	1,802	-	2,453
Mexican	-	-	5,980	-	2,450

1835. Total import of the United States	-	-	-	-	\$149,895,742
" export	-	-	-	-	<u>121,693,577</u>

American tonnage entered	-	-	-	-	1,352,653 tons.
Foreign " "	-	-	-	-	641,310

Total entered - 1,993,963

American tonnage cleared	-	-	-	1,400,517 tons.
Foreign " "	-	-	-	630,824
Total cleared	-	-	-	<u>2,031,341</u>

Amongst the foreign tonnage were—

	Entered.		Cleared.
Of British	529,922 tons.	-	523,417 tons.
French	15,457	-	14,354
Spanish	24,497	-	26,245
Hanseatic	28,218	-	28,421
Dutch	3,112	-	2,148
Swedish	15,661	-	13,479
Danish	3,570	-	3,186
Russian	250	-	330
Prussian	1,272	-	942
Austrian	3,125	-	2,509
Mexican	11,057	-	10,531
1836. Total import of the United States	-	-	\$189,980,035
" export " "	-	-	<u>128,663,040</u>

American tonnage entered	-	-	-	1,255,384 tons.
Foreign " "	-	-	-	680,213
Total entered	-	-	-	<u>1,935,597</u>
American tonnage cleared	-	-	-	1,315,523
Foreign " "	-	-	-	674,721
Total cleared	-	-	-	<u>1,990,244</u>

Amongst the foreign tonnage were—

	Entered.		Cleared.
Of British	544,774 tons.	-	538,921 tons.
French	19,519	-	18,486
Spanish	10,428	-	10,970
Hanseatic	39,525	-	43,256
Dutch	6,199	-	7,250
Swedish	23,630	-	22,030
Danish	8,463	-	8,065
Russian	4,486	-	3,533
Prussian	3,729	-	3,372
Austrian	8,276	-	7,427
Mexican	4,855	-	4,106
1837. Total import of the United States	-	-	\$140,989,277
“ export “ “	-	-	117,419,376
American tonnage entered	-	-	1,299,720 tons.
Foreign “ “	-	-	765,703
Total entered	-	-	2,065,423

American tonnage cleared	-	-	-	1,266,622 tons.
Foreign " "	-	-	-	756,292

Total cleared - 2,022,914

Amongst the foreign tonnage were—

	Entered.		Cleared.
Of British	543,020 tons.	-	536,420 tons.
French	26,286	-	26,070
Spanish	11,342	-	10,562
Hanseatic	70,703	-	65,538
Dutch	14,628	-	14,670
Swedish	25,660	-	26,612
Danish	16,107	-	17,486
Russian	4,081	-	4,592
Prussian	19,825	-	17,973
Austrian	16,779	-	17,774
Mexican	818	-	1,426

1838. Total import of the United States - \$113,717,406
 " export " " - 108,486,616

American tonnage entered - 1,302,974 tons.
 Foreign " " - 592,110

Total entered - 1,895,084

American tonnage cleared - 1,408,761 tons.
 Foreign " " - 604,166

Total cleared - 2,012,927

Amongst the foreign tonnage were—

	Entered.		Cleared.
Of British	484,702 tons.	-	486,904 tons.
French	20,570	-	21,849
Spanish	13,183	-	13,607
Hanseatic	37,538	-	39,636
Dutch	4,436	-	4,536
Swedish	8,695	-	11,542
Danish	3,447	-	4,765
Russian	1,430	-	1,604
Prussian	2,087	-	2,321
Austrian	2,452	-	3,382
Mexican	962	-	976

1839. Total import of the United States - \$162,092,132
 " export " " - 121,028,416

American tonnage entered - 1,491,279 tons.
 Foreign " " - 624,814

Total entered - 2,116,093

American tonnage cleared	-	-	-	1,477,928 tons.
Foreign	"	"	-	611,839
Total cleared				<u>2,089,767</u>

Amongst the foreign tonnage were—

	Entered.	Cleared.
Of British	495,353 tons.	491,485 tons.
French	22,686	21,680
Spanish	16,501	18,753
Hanseatic	41,139	38,067
Dutch	3,384	3,231
Swedish	17,725	18,787
Danish	5,053	4,759
Russian	2,788	1,294
Prussian	2,204	1,213
Austrian	1,602	2,573
Mexican	995	1,300

1840. Total import of the United States	-	\$107,141,519
" export	"	<u>132,085,946</u>

American tonnage entered	-	1,576,946 tons.
Foreign	"	712,363

Total entered	-	<u>2,289,309</u>
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American tonnage cleared	-	1,647,009
Foreign	"	706,486

Total cleared	-	<u>2,353,495</u>
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Amongst the foreign tonnage were—

	Entered.	Cleared.
Of British	582,424 tons.	563,735 tons.
French	30,701	29,553
Spanish	15,927	16,768
Hanseatic	41,874	44,772
Dutch	3,629	3,437
Swedish	15,376	19,067
Danish	4,289	5,886
Russian	322	1,188
Prussian	1,394	1,659
Austrian	3,957	4,145
Mexican	1,544	2,137

No. II.

A comparative view of the registered, enrolled, and licensed tonnage of the United States, from 1815 to 1840, inclusive.

YEARS.	Registered tonnage.	Enrolled and licensed tonnage.	Total tonnage.
	Tons and 95ths.		
1815	854,294 74	513,833 04	1,368,127 78
1816	800,759 63	571,458 85	1,372,218 53
1817	809,724 70	590,186 66	1,399,911 41
1818	606,088 64	609,095 51	1,225,184 20
1819	612,930 44	647,821 17	1,260,751 61
1820	619,047 53	661,118 66	1,280,166 24
1821	619,896 40	679,062 30	1,298,958 70
1822	628,150 41	696,548 71	1,324,699 17
1823	639,920 76	696,644 87	1,336,565 68
1824	669,972 60	719,190 37	1,389,163 02
1825	700,787 08	722,323 69	1,423,110 77
1826	739,978 15	796,211 68	1,534,190 83
1827	747,170 44	873,437 34	1,620,607 78
1828	812,619 37	928,772 50	1,741,391 87
1829	650,142 88	610,654 88	1,260,977 81
1830	576,475 33	615,310 10	1,191,776 43
1831	620,451 92	647,394 32	1,267,846 29
1832	686,980 77	752,460 39	1,439,450 21
1833	750,026 72	856,123 22	1,601,149 94
1834	857,438 42	901,468 67	1,758,907 14
1835	885,821 60	939,118 49	1,824,940 14
1836	897,774 51	984,328 14	1,892,102 65
1837	810,447 29	1,086,238 40	1,896,685 69
1838	822,591 89	1,173,047 89	1,995,639 80
1839	834,244 54	1,262,234 27	2,096,478 81
1840	899,764 76	1,280,999 35	2,180,764 16

No. III.

Showing the amount of imports and exports, and the American and foreign tonnage annually entered and cleared in the United States, from the year 1821 to the year 1830, both inclusive :

1821. Total import of the United States	-	-	\$62,585,724
“ “ export	“	-	<u>64,974,382</u>

American tonnage entered	-	-	-	765,098 tons.
Foreign " "	-	-	-	81,526
Total entered				<u>846,624*</u>
American tonnage cleared	-	-	-	804,947
Foreign " "	-	-	-	83,073
Total cleared				<u>888,020</u>
1822. Total import of the United States	-	-	-	\$83,241,541
" " export	-	-	-	<u>72,160,281</u>
American tonnage entered	-	-	-	787,964 tons.
Foreign " "	-	-	-	100,541
Total entered				<u>888,505</u>
American tonnage cleared	-	-	-	813,748
Foreign " "	-	-	-	97,490
Total cleared				<u>911,238</u>
1823. Total import of the United States	-	-	-	\$77,579,267
" " export	-	-	-	<u>74,699,030</u>
American tonnage entered	-	-	-	775,271 tons.
Foreign " "	-	-	-	119,468
Total entered				<u>894,739</u>
American tonnage cleared	-	-	-	810,761
Foreign " "	-	-	-	119,740
Total cleared				<u>930,501</u>
1824. Total import of the United States	-	-	-	\$80,549,007
" " export	-	-	-	<u>75,986,657</u>
American tonnage entered	-	-	-	850,033 tons.
Foreign " "	-	-	-	102,367
Total entered				<u>952,400</u>
American tonnage cleared	-	-	-	919,278
Foreign " "	-	-	-	102,552
Total cleared				<u>1,021,830</u>
1825. Total import of the United States	-	-	-	\$96,340,075
" " export	-	-	-	<u>99,535,388</u>

American tonnage entered	-	-	-	-	880,754 tons
Foreign " "	-	-	-	-	92,927
Total entered					<u>973,681</u>
American tonnage cleared	-	-	-	-	960,366
Foreign " "	-	-	-	-	95,080
Total cleared					<u>1,055,446</u>
1826. Total import of the United States	-	-	-	-	\$84,974,477
" " export	-	-	-	-	<u>77,595,322</u>
American tonnage entered	-	-	-	-	942,206 tons.
Foreign " "	-	-	-	-	105,654
Total entered					<u>1,047,860</u>
American tonnage cleared	-	-	-	-	953,012
Foreign " "	-	-	-	-	99,417
Total cleared					<u>1,052,429</u>
1827. Total import of the United States	-	-	-	-	\$79,484,068
" " export	-	-	-	-	<u>82,321,827</u>
American tonnage entered	-	-	-	-	918,361 tons.
Foreign " "	-	-	-	-	137,589
Total entered					<u>1,055,950</u>
American tonnage cleared	-	-	-	-	980,542
Foreign " "	-	-	-	-	131,250
Total cleared					<u>1,111,792</u>
1828. Total import of the United States	-	-	-	-	\$88,509,824
" " export	-	-	-	-	<u>72,264,686</u>
American tonnage entered	-	-	-	-	868,381 tons.
Foreign " "	-	-	-	-	150,223
Total entered					<u>1,018,604</u>
American tonnage cleared	-	-	-	-	897,404
Foreign " "	-	-	-	-	151,030
Total cleared					<u>1,048,434</u>
1829. Total import of the United States	-	-	-	-	\$74,492,527
" " export	-	-	-	-	<u>72,358,671</u>

American tonnage entered	-	-	-	-	872,949 tons.
Foreign " "	-	-	-	-	130,743

Total entered	<u>1,003,692</u>
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American tonnage cleared	-	-	-	-	944,799
Foreign " "	-	-	-	-	133,006

Total cleared	<u>1,077,805</u>
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1830. Total import of the United States	-	-	\$70,876,920
" " export	-	-	73,849,508

American tonnage entered	-	-	-	-	967,227 tons.
Foreign " "	-	-	-	-	131,900

Total entered	<u>1,099,127</u>
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American tonnage cleared	-	-	-	-	971,760
Foreign " "	-	-	-	-	133,436

Total cleared	<u>1,105,196</u>
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No. IV.

Statement of value of cargoes carried by American and foreign vessels—being the aggregate of imports and exports of each year; and of the portion of such aggregate carried respectively by vessels of the United States and foreign vessels,—these compared with the aggregate of American and foreign tonnage entering and clearing in each year—first from the year 1821 to 1830, and second from 1831 to 1840 both inclusive: expressed in millions and tenths.

	American cargoes.	Foreign cargoes.
1. 1821	\$113.1 millions.	\$14.2 millions.
1822	137.5 "	17.6 "
1823	136.7 "	15.3 "
1824	141.5 "	13.0 "
1825	180.6 "	15.1 "
1826	150.1 "	12.0 "
1827	146.9 "	14.7 "
1828	142.9 "	17.6 "
1829	130.3 "	15.3 "
1830	129.8 "	14.7 "
	<u>\$1,409.4</u> "	<u>\$150.4</u> "

Aggregate of American tonnage entering and clearing
as per table No. III. - - - - - 17.5 millions tons.
Do. foreign - - - - - 2.2 " "
\$1,409.4 millions American cargoes to 17.5 millions tons, American ton-
nage ; \$80.5 to 1.
\$150.4 millions foreign cargoes to 2.2 millions tons, foreign tonnage ;
\$86. to 1.

		American cargoes.		Foreign cargoes.
2.	1831	-	\$159.3 millions.	\$24.9 millions.
	1832	-	156.3 "	31.7 "
	1833	-	165.9 "	32.0 "
	1834	-	191.3 "	39.4 "
	1835	-	229.3 "	42.0 "
	1836	-	268.6 "	49.7 "
	1837	-	213.2 "	44.9 "
	1838	-	192.4 "	29.1 "
	1839	-	238.5 "	44.4 "
	1840	-	198.3 "	40.6 "
			<u>\$2,013.1</u> "	<u>\$378.7</u> "

Aggregate of American tonnage entering and clearing
as per table No. I. - - - - - 25.0 millions tons.
Do. foreign - - - - - 11.4 " "
\$2,013.1 millions American cargoes to 25 millions American tonnage ;
\$80.5 to 1.
\$378.7 millions foreign cargoes to 11.4 millions foreign tonnage ; \$33.4
to 1.

NOTE.—The amounts of this table slightly vary from the statement of tables No. I. and III., because the fractions are not fully given. The ratio of cargo to tonnage is also calculated without reference to fractions.

No. V.

Showing the ratio of tonnage, American and foreign, to value of cargoes in three different years, selected out of each term of ten years, computed without accurate reference to fractions.

AMERICAN.

1st term.					Ratio.
1821.	\$113	millions of cargo,	to 1.5	millions of tons,	75 to 1
1825.	195	do.	to 1.8	do.	108 to 1
1830.	144	do.	to 1.9	do.	75 to 1

FOREIGN.

1821.	\$14.2	millions of cargo,	to 0.16	millions of tons,	90 to 1
1825.	15.1	do.	to 0.18	do.	84 to 1
1830.	14.7	do.	to 0.26	do.	57 to 1

AMERICAN.

2d term.					Ratio.
1831.	\$159.3	millions of cargo,	to 1.9	millions of tons,	84 to 1
1835.	229.3	do.	to 2.7	do.	85 to 1
1840.	198.3	do.	to 3.2	do.	62 to 1

FOREIGN.

1831.	\$25	millions of cargo,	to 0.55	millions of tons,	45.5 to 1
1835.	42	do.	to 1.30	do.	32.3 to 1
1840.	40.6	do.	to 1.40	do.	29 to 1

NOTE.—This table exhibits a very remarkable increase of the ratio of foreign tonnage to the value of the cargo; showing how much the carriage of the bulky commodities of our export has increased in foreign vessels. In 1821 the foreign tonnage carried \$90 millions worth of cargo in 1 million of tons; in 1840 it carried \$29 millions in 1—showing that the foreign tonnage is rapidly getting possession of that branch of our carrying trade which requires the greatest amount of shipping, and which is, therefore, the most valuable to navigation.

Letter of Foster Rhodes, Naval Constructor, on tonnage laws.

WASHINGTON, May 25, 1841.

SIR: I have the honor, in compliance with the wish expressed by you in our interview of the 16th instant, to embody in writing my views regarding the tonnage act of the United States.

As I have already explained orally, our system of admeasurement leads to a mode of constructing vessels which at once cheats the revenue, endangers the safety, and impairs the speed of the vessels themselves.

The frauds on the revenue are so well understood in the British empire, where more considerate laws upon the subject prevail, that our vessels are obliged there to submit to a new admeasurement, under the British regulations, which plainly exhibit the difference between their scheme and ours—theirs securing an approximation, as nearly as possible, to their true tonnage, and ours leaving it open to evasions scarcely credible by any who have not looked into the subject closely.

I will now proceed to state my reasons for believing that the interests of the United States, and of our shipping, as well as our national character for commercial integrity, will gain vastly by a change in the present system of admeasurement, and by the adoption of that enacted by the Government of Great Britain in 1836. In order to bring the entire subject more clearly before you, I will quote the present law of the United States, and then that of England, explaining, as I proceed, the disadvantages of the one and the advantages of the other.

The present law of the United States for ascertaining the tonnage of a double decked vessel was passed on the 31st of December, 1792, and is as follows, (see Gordon's Digest of Revenue Laws, page 57, chap. 3, section 2, article 287, under the title, "The registry and recording of vessels:")

"Take the length from the forepart of the main stem, to the afterpart of the sternpost, above the upper deck; the breadth thereof at the broadest part above the main wales, half of which breadth shall be accounted

the depth of such vessel, and then deduct from the length three-fifths of the breadth; multiply the remainder by the breadth, and the product by the depth, and divide the last product by 95; the quotient thereof shall be deemed her true contents or tonnage.

"If she be single decked, he shall take the length and breadth, as above directed in respect to a double decked vessel; shall deduct from said length three-fifths of the breadth, and, taking the depth from the under side of the deck-plank to the ceiling in the hold, shall multiply and divide as aforesaid, and the quotient shall be deemed the tonnage of said vessel."

The present law of Great Britain upon measuring ships is as follows, and may be found in the appendix to McCulloch's Commercial Dictionary, page 110, statute 5 and 6, William IV., chap. 56.

"From and after the commencement of this act, the tonnage of every ship or vessel shall, previous to her being registered, be measured and ascertained while her hold is clear, and according to the following rule, viz: divide the length of the upper deck, between the afterpart of the stem and the forepart of the sternpost, into six equal parts. DEPTHS: at the foremost, the middle, and aftermost of these points of division, measure, in feet and decimal parts of a foot, the depth from the under side of the upper deck to the ceiling at the limber-strake: in the case of a break in the upper deck, the depths are to be measured from a line stretched in the continuation of the deck. BREADTHS: divide each of those three depths into five equal parts, and measure the inside breadths at the following points, viz: at one-fifth and at four-fifths from the upper deck of the foremost and aftermost depths, and two-fifths and four-fifths from the upper deck of the midship depth. LENGTH: at half the midship depth measure the length of the vessel from the afterpart of the stem to the forepart of the sternpost; then, to twice the midship depth add the foremost and aftermost depths, for the sum of the depths; add together the upper and lower breadths at the foremost division, three times the upper breadth, and the lower breadth at the midship division, and the upper and twice the lower breadth at the after division, for the sum of the breadths; then multiply the sum of the depths by the sum of the breadths, and this product by the length, and divide the final product by 3,500, which will give the number of tons for register. If the vessel have a poop or half deck, or a break in the upper deck, measure the inside mean length, breadth, and height of such part thereof as may be included within the bulkhead; multiply these three measurements together, and, dividing the product by ninety-two and four-tenths, the quotient will be the number of tons to be added to the result as above found.

"In order to ascertain the tonnage of open vessels, the depths are to be measured from the upper edge of the upper strake."

Some alteration will be required in that clause of the British law touching steam vessels. As so many of our steam vessels are built and fitted almost exclusively for passengers, and having their engines and boilers so variously arranged, I would venture to submit the following rules for their admeasurement:

The tonnage of ships or vessels propelled in whole or in part by steam shall be ascertained by the rules above prescribed; and the tonnage due to the cubical contents of the engine-room, for all vessels having their engines, boilers, and fuel below the deck, shall be deducted from the total tonnage of the vessel, and the remainder shall be deemed the register tonnage of such ship or vessel. The cubical contents of the engine room

A plan of measuring the breadth by Law of the U.S.

Real and measured breadth 28 Feet
Real depth 12½ feet Depth by Law 14 feet.

Inside Area 116 feet

Ratio of the Capacity of the two
Sections 1 to 2.05

Midship of a Vessel for
Sailing and Stability.

Main Water

A single glance of the eye is sufficient to
show the very great difference in the form
and capacity of vessels having midship sections
as herein shown, of which there are many and
yet our present law registers the tonnage
of both the same.

F.R.

Inside area 238 feet.

Ratio of capacity of the two
Sections, 2.05 to 1. -

Midship section of a vessel for carrying
a large cargo. -

A. Place of measuring the breadth by Law of the
United States — Real breadth 30 feet Breadth by
Law 28 feet — Real depth 21 feet, Depth by Law 14 feet.

Breadth 28 feet.
Depth 21 feet.
Depth by Law 14 feet.

*Midship Section of a Vessel of the form
adopted under the old Tonnage act of
Great Britain.*

Breadth 28 feet
Depth 16½ feet
Depth by Law 14 feet

*Midship Section of a Ship of the form in
use at the time of the Tonnage Act of the
United States: 1792*

Place of measuring
above the main wales.

of tonnage, shall be ascertained by the following rule, viz : Measure the inside length of the engine room, in feet and decimal parts of a foot, from the foremost to the aftermost bulkhead, then multiply said length by the depth of the vessel at the middle, between the bulkheads, taken as aforesaid, and the product by the inside breadth at the same point of division, at two-fifths of the depth from the deck, taken as aforesaid, and divide the last product by ninety-two and four-tenths, and the quotient shall be deemed the tonnage due to the cubical contents of the engine room. The tonnage so ascertained, and the length of the engine room, shall be set forth in the register as part of the description of said steam vessel ; and any alteration of such tonnage, or length of the engine room, after registry, shall be deemed an alteration requiring registry *de novo*.

The tonnage or burden of steam vessels carrying the boilers and fuel above the deck, and the engines above or partly above the deck, to be ascertained in the manner above directed ; one-fourth of which tonnage or burden shall be deducted, and the remainder to be the register tonnage of such steam vessel.

I would further recommend that, in registering the description for the identity of vessels, as by law now prescribed, the length, breadth, and depth should be measured, and inserted in the register, as follows, viz : Length from the forepart of the main stem to the afterpart of the sternpost, above the upper deck ; breadth at the broadest part of the outside planking or wales of the ship or vessel ; depth at the centre of the length, from the under side of the upper deck to the ceiling at the limber-strake : but I would not have any thing contained in the proposed law to be understood as extending to men-of-war, or to alter the present measure of tonnage of any ship or vessel registered prior to the commencement of the proposed law, unless in cases where the owners of such ships or vessels should require to have their tonnage established according to the rule before prescribed, or unless there should be occasion to have such vessel admeasured again, on account of any alteration in her form, rig, or burden ; in which case the new admeasurement should entirely conform to the new law.

Before the passage of the law I have above quoted, there was an act in Great Britain, which having been found to produce results as injurious as those we are now experiencing from our present law, it was superseded by the act of 1836. To show how this repealed law operated, I will here insert the rule of admeasurement under it, and which may be found in McCulloch's Dictionary of Commerce, page 977.

"The length shall be taken on a straight line along the rabbet of the keel, from the back of the main sternpost to a perpendicular line from the forepart of the main stem under the bowsprit, from which subtracting three-fifths of the breadth, the remainder shall be esteemed the just length of the keel, to find the tonnage ; and the breadth shall be taken from the outside of the outside plank in the broadest part of the ship, whether that shall be above or below the main wales, exclusive of all manner of doubling planks that may be wrought upon the sides of the ship ; then multiplying the length of the keel by the breadth so taken, and that product by half the breadth, and dividing the whole by ninety-four, the quotient shall be deemed the true contents of the tonnage."

The effect of this repealed act of England was, to produce flat, full vessels, with straight sides, nearly parallel in the length and depth. The

effect of *our* existing law is, to produce vessels nearly parallel in the length, and as narrow as possible above the main wales; and, also, to produce vessels with a temporary or false lower deck, so as to lead them to be admeasured as double decked vessels. Both these laws, the repealed act of England and the present one of the United States, prompted the building of full, narrow, and deep vessels, as the reduction of the breadth reduced both multipliers, in calculating the tonnage to be inserted in the register.

The law of this country is liable to many other objections. Not only the conclusions to which it leads are altogether inaccurate, but it also creates erroneous modes of construction, for the purpose of enabling owners to benefit by the looseness of its provisions, in order that, by bringing the measurement below the real burden, a part of the duties may be evaded. Hence arises another evil: the skill of the ship builder is no longer tasked to construct ships combining the greatest degree of strength, speed, and security, because speed and safety are always sacrificed when the dimensions are small and the capacity large; and a builder must lose his character as a builder, and his employment, or gratify the cupidity of his employers. Nothing can prove this point more clearly than the remarkable difference there is between vessels made for stability and sailing, and those exclusively to receive freight. Many of the former carry but about half their register tonnage, while many of the latter carry about double their register tonnage. Indeed, it may be near the truth to state that at least three-fourths of the vessels of the United States carry more than their register tonnage. I have already stated that this is so well known abroad, that in the British empire our register tonnage will not be taken, such and so manifest are the advantages of their own system.

Under these circumstances, surely I need not dwell on the extreme importance of some change in our mode of admeasurement; and, after the most careful research, I cannot discover any substitute at all to be compared with the law as it now stands in Great Britain.

There will be great embarrassment, I am aware, in the practical use of any change in the plan of measuring ships. Indeed, the *accurate* estimate of a ship's tonnage is always a problem of extreme difficulty. A new system must therefore be as little complex as possible, to guard it from being incorrectly applied; and all we can hope to gain, perhaps, is the nearest approximation to accuracy—entire accuracy being next to unattainable.

The system of England, which took effect on 1st January, 1836, appears to me to come as near to it as can be hoped. It has been found, whenever it has been brought to bear upon our vessels, for the purpose of fixing the dues and port charges, *to effect a close approximation to their true burden*. The tonnage it gives of all vessels, however built, scarcely differs from their true capacity or contents, except in the very extreme of full or sharp vessels.

Its adoption would consequently take away the temptation now existing to build vessels of a form which renders them slow, unsafe, and difficult to navigate. Upon the still further advantages of entire conformity in the systems of measurement employed by the two greatest commercial nations, I need not enlarge. And now, sir, having endeavored to express my views concerning a new law for the admeasurement of vessels, I will venture to add some diagrams illustrative of the operation of the law as it now stands, and of its absurdity as applied to differently constructed Amer-

ican ships ; and I most sincerely hope you will concur with me in the importance of such new regulations as, in addition to other benefits, may secure that freedom and encouragement to skill, in the designing and construction of ships, which, by existing statutes, is confined to builders whose ships measure the least and carry the most. The consequence of a change so desirable will be, that our builders and ship owners, unbiassed by any interests like those now prevailing, will soon improve the art of ship building, instead of the art of *so building* as best to evade the tonnage law, the evils of which have been already acknowledged and avoided by the greatest maritime nation of the world, whose ships, if the tonnage law of the United States remains unreformed, will soon bear from us the palm of superiority, so long exclusively our own. The effects of a change will be forthwith seen in the inestimable qualities of safety, stability, and speed, secured to ships built as they can be and will be built when the genius of our countrymen shall be left unbiassed and unrestrained by unsatisfactory and unwise legislation.

I have the honor to be, sir, your very obedient and faithful humble servant,

FOSTER RHODES,

Late naval constructor of the Sultan Mahmoud, and now naval constructor in the service of the navy of the United States.

To the Hon. THOMAS EWING,

Secretary of the Treasury.

Joint resolution concerning the termination of certain commercial treaties.

Be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be, and he is hereby, requested, whenever he shall deem it compatible with the public interest, to make known to the Governments of Denmark, Sweden, the Hanseatic republics, Prussia, Austria, and Russia, in conformity with the stipulations of the existing commercial treaties between said Governments and the United States, the desire and intention of this Government to terminate such commercial treaties now in force between said Governments and the United States as have contracted to allow the parties thereto to import on equal terms, as regards duties on merchandise and tonnage, each into the ports of the other, goods, wares, and merchandise, other than those of the growth, produce, or manufacture of the nation in whose vessels the same are borne.

SEC. 2. And be it further resolved, That, in all future negotiations which may be opened with the aforesaid Governments, or with any other, it is the policy of the United States to confine the privilege of reciprocal importation, on equal terms as to goods and shipping, to goods, wares, and merchandise, the product of the countries from whence and in whose ships they are imported, or the product of such contiguous countries thereto as usually carry on their foreign commerce through the ports of the same.

A bill to establish reciprocity in the commercial regulations of the United States, in their intercourse with certain British colonial ports.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, from and after the first day of January next, the ports of the United States shall continue open to any British vessel coming directly from any of the British American colonial ports, known to the navigation laws of Great Britain as the enumerated or "free ports;" and, from and after the date aforesaid, it shall be lawful only to import in the said vessels (they being navigated by a master and three-fourths at least of the mariners British subjects) any articles of the growth, produce, or manufacture of any of the said British colonies, the importation of the like articles to which, from elsewhere, is not nor shall not be prohibited by law, and which may be exported from any of the said enumerated British ports to the United States, on equal terms, in vessels belonging to the said States.

SEC. 2. *And be it further enacted,* That, on proof being given to the President of the United States, satisfactory to him, that upon the vessels of the United States admitted into the above-mentioned enumerated or "free ports," and upon any goods, wares, and merchandise imported therein in the said vessels, no other or higher duties of tonnage or impost, and no other charges of any kind, are levied or exacted than upon British vessels, or upon the like goods, wares, and merchandise imported into the said colonial ports from elsewhere, it shall and may be lawful for the President of the United States to issue his proclamation, declaring that no other or higher duty of impost or tonnage, and no other or higher duty or charge of any kind, upon any goods, wares, or merchandise imported from the above-enumerated colonial ports in British vessels, shall be levied or exacted, in any of the ports of the United States, than upon the vessels of the United States, and upon the like goods, wares, and merchandise imported into the ports of the United States in the same: *Provided, always,* That, until such proof shall be given, British vessels coming from the said British colonial ports, and the goods, wares, and merchandise imported in the same into the United States, shall continue to pay the foreign tonnage duty, and the additional duties upon goods, wares, and merchandise imported in foreign vessels, prescribed by the "Act to regulate the duties on imports and tonnage," approved the twenty-seventh of April, one thousand eight hundred and sixteen, any law to the contrary thereof notwithstanding.

SEC. 3. *And be it further enacted,* That no articles whatsoever, specie and bullion excepted, other than articles of the growth, produce, or manufacture of the British colonies to which the said enumerated ports belong, shall be imported into the United States in British vessels coming from any of the said enumerated ports; and that no articles whatsoever, being of the growth, produce, or manufacture of the British colonies to which the said enumerated ports belong, shall be imported into the United States in British vessels, other than vessels coming directly from the said enumerated ports, on pain of forfeiting all such articles, together with the ship or vessel in which the same shall have been imported, and her guns, tackle, apparel, and furniture.

SEC. 4. *And be it further enacted,* That, from and after the said first day of January next, it shall be lawful only to export from the United

States to any of the said enumerated or free ports, in the said British colonies or possessions, in any vessel of the United States, or in any British vessel navigated as by the first section of this act is prescribed, and having come from any of the said enumerated or free ports, any article of the growth, produce, or manufacture of the United States, or any other article legally imported therein, the exportation of which elsewhere shall not be prohibited by law: *Provided*, That, when exported in any such British vessel, before the shipment of any such articles, security, by bond, shall be given to the United States, in a penalty equal to half the value of the said articles; such bond to be taken of the owner, consignee, or agent, by the collector of the port at which said British vessel shall have entered, for the due landing of the said articles at the port or ports, being of the British colonial ports hereinbefore referred to as enumerated or free ports, for which the said vessel shall clear out, and for producing a certificate thereof, within twelve months from the date of said bond, under the hand and seal of the consul or commercial agent of the United States resident at the port where the said articles shall have been landed; or, if there shall be no consul or commercial agent of the United States residing there, such certificate to be under the hand and seal of the chief officer of the customs at such port, or under the hand and seal of two known and reputable merchants residing at such port; but such bond may be discharged by proof, on oath, by credible persons, that the said articles were taken by enemies or perished in the seas. And it shall not be lawful, after the date last aforesaid, to export from the United States any article whatsoever, to any of the said enumerated or free ports, in any British vessel other than such as shall have come directly from one of the said ports to the United States; nor shall it be lawful, after the date aforesaid, to export from the United States any article whatsoever, in any British vessel having come from any of the said enumerated ports, to any other port or place whatsoever, than directly to one of the said ports. And in case any such articles shall be shipped or water borne, for the purpose of being exported contrary to this act, the same shall be forfeited, and shall and may be seized and prosecuted, in like manner as for any other violation of the revenue laws of the United States.

SEC. 5. *And be it further enacted*, That this act, unless repealed, altered, or amended by Congress, shall be and continue in force so long as the above-mentioned enumerated or free ports shall be open to the admission of vessels of the United States, conformably to the provisions of any act of Parliament now in force, or which may hereafter be enacted in reference thereto; but if, at any time, the trade and intercourse between the United States and all or any of the said enumerated or free ports, hereinbefore referred to, should be prohibited by a British order in council, or by act of Parliament, then, from the day of the date of such order in council or act of Parliament, or from the time the same shall commence to be in force, proclamation to that effect having been made by the President of the United States, each and every provision of this act, so far as the same shall apply to the intercourse between the United States and the enumerated British colonial ports, in British vessels, shall cease to operate in their favor. And it is hereby declared and enacted, that, from that date, each and every provision of the "Act concerning navigation," approved on the eighteenth of April, one thousand eight hundred and eighteen, and of the

act supplementary thereto, approved on the fifteenth of May, one thousand eight hundred and twenty, shall revive and be in full force.

SEC. 6. *And be it further enacted*, That if any British American colonial port, not at present enumerated as a free port, shall be hereafter opened, by virtue of a British order in council, to the vessels of the United States, in such event, this act, and each and every provision thereof, shall extend to such port, from the time when it shall be opened to the vessels of the United States.

SEC. 7. *And be it further enacted*, That the form of the bond required to be given by the fourth section of this act shall be prescribed by the Secretary of the Treasury; and all penalties and forfeitures incurred under this act shall be sued for, recovered, distributed, and accounted for, and the same may be mitigated or remitted, in the manner and according to the provisions of the revenue laws of the United States.

A bill to alter the mode of admeasuring the tonnage of ships or vessels employed in the merchant service of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, from and after the first day of October next, the tonnage of every ship or vessel required by law to be measured shall be ascertained by the following rule or mode of computation, instead of that heretofore in use, that is to say: in order to obtain the true tonnage or contents of such ship or vessel, when her hold is clear, divide the length of the upper deck, between the afterpart of the stem and the forepart of the sternpost, into six equal parts. Then, for the *depths*, at the foremost, the middle, and the aftermost of those points of division, measure, in feet and decimal parts of a foot, the depths from the under side of the upper deck to the ceiling at the limber-strake. In the case of a break in the upper deck, the depths are to be measured from a line stretched in a continuation of the deck. For the *breadths*, divide each of those three depths into five equal parts, and measure the inside breadths at the following points, to wit: at one-fifth and at four-fifths from the upper deck of the foremost and aftermost depths, and at two-fifths and four-fifths from the upper deck of the midship depth. For the *length*, at half the midship depth, measure the length of the vessel from the afterpart of the stem to the forepart of the sternpost; then, to twice the midship depth add the foremost and the aftermost depths for the sum of the depths; add together the upper and lower breadths at the foremost division, three times the upper breadth, and the lower breadth at the midship division, and the upper and twice the lower breadth at the after division, for the sum of the breadths; then multiply the sum of the depths by the sum of the breadths, and this product by the length; then divide the final product by three thousand five hundred, which will give the number of tons of the vessel. If the vessel have a poop or half deck, or a break in the upper deck, measure the inside mean length, breadth, and height of such part thereof as may be included within the bulkhead; multiply these three measurements together, and, dividing the product by 92.4, the quotient will be the number of tons to be added to the result, as found by the rule prescribed above. In order to ascertain the tonnage of open vessels, the depths are to be measured from the upper edge of the upper strake.

SEC. 2. *And be it further enacted*, That in each of the several rules above

prescribed, when applied for the purpose of ascertaining the tonnage of any ship or vessel propelled by steam, the tonnage due to the cubical contents of the engine room shall be ascertained as follows: When the engines, boilers, and fuel are below the deck, measure the inside length of the engine room, in feet and decimal parts of a foot, from the foremost to the aftermost bulkhead; then multiply said length by the depth of the vessel at the middle, between the bulkheads, taken as aforesaid, and the product by the inside breadth at the same point of division, at two-fifths of the depth from the deck, taken as aforesaid, and divide the last product by 92.4, and the quotient shall be deemed the tonnage due to the cubical contents of the engine room; which being deducted from the total tonnage of the ship or vessel, the remainder shall be deemed the true or register tonnage of such ship or vessel. And when the engines, boilers, and fuel are above deck, or partly above and partly below deck, the capacity of the engine room shall be ascertained in the manner above described; one-fourth of which burden or tonnage shall be deducted, and the remainder shall be deemed the true or register tonnage of such ship or vessel. And the tonnage of any ship or vessel propelled by steam being ascertained according to the above rules, the said tonnage and the length of the engine room shall be set forth in all public records thereof, as part of the description of said steam vessel; and any alteration of such tonnage or length of the engine room shall be deemed an alteration requiring registry or enrolment *de novo*.

SEC. 3. *And be it further enacted*, That, in the registering, enrolling, or recording of ships or vessels, as by law now prescribed, the length, breadth, and depth shall henceforth be measured, ascertained, and inserted in the registry, enrolment, or certificate, or other record required by law, as follows, to wit: Length from the forepart of the main stem to the afterpart of the sternpost above the upper deck; breadth at the broadest part of the outside planking or wales of the ship or vessel; depth at the centre of the length, from the under side of the upper deck to the ceiling at the *limber-strake*.

SEC. 4. *And be it further enacted*, That, for the purpose of ascertaining the tonnage of all such ships or vessel as there shall be occasion to measure whilst their cargoes are on board, whether such ships or vessels belong to the United States or foreign countries, the following rule shall be observed, and is hereby established, that is to say: measure, first, the length on the upper deck between the afterpart of the stem and the forepart of the sternpost; secondly, the inside breadth, on the under side of the upper deck, at the middle point of the length; and, thirdly, the depth from the under side of the upper deck down the pump *well* to the *skin*. Multiply these three dimensions together, and divide the product by one hundred and thirty, and the quotient will be the amount of the true or register tonnage of such ships or vessels.

SEC. 5. *And be it further enacted*, That nothing in this act contained shall extend to or alter the present measure of tonnage of any ship or vessel which shall have been registered or enrolled prior to the commencement of this act; unless in cases where the owners of any such ships or vessels shall require to have their tonnage established according to the rule hereinbefore provided; or unless there shall be occasion to have any such ships or vessel admeasured again, on account of any alteration which shall have been made in the form or burden of the same; in which cases only such ships or vessels shall be readmeasured according to the said rule, and their tonnage determined accordingly.

